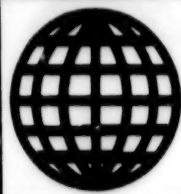


JPRS-SEA-93-012

30 August 1993



**FOREIGN
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JPRS Report

East Asia

Southeast Asia

East Asia Southeast Asia

JPRS-SEA-93-012

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30 August 1993

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Situation of Vietnamese Residents, Demographics

93SE0219A Bangkok LAK THAI in Thai
12-18 Jun 93 pp 34, 35

[Excerpt] [Passage omitted] Since the Khmer Rouge began threatening the Vietnamese in Cambodia last March, UN officials have overseen the return of almost 30,000 Vietnamese to Vietnam. These Vietnamese have returned to Vietnam using the Thonle Sap, or "neck of the Thonle Sap," and the Mekong River.

These Vietnamese regularly cross the border into Cambodia, their homeland, in the morning, engage in trade, and then return to Vietnam in the afternoon. Even though many of these Vietnamese want to return to Cambodia, where they have been living for generations, because of the unfavorable situation, they have had to abandon their homes and seek safety.

Even though the Vietnamese Government opposes the flight of these Vietnamese Cambodians to Vietnam, it can't stop or block this, because it is well aware of the great danger posed by the Khmer Rouge. Also, the Vietnamese Government must help these Vietnamese Cambodians for humanitarian reasons.

Besides the fact that the Vietnamese Government does not approve of this, one of the reasons why the Vietnamese Cambodians do not want to return to Vietnam permanently is that life there won't be as good for them as in Cambodia either in terms of opportunities for making a living or crop fertility.

The Vietnamese Cambodians feel that the recent election was of no value to them. Besides the fact that the Khmer Rouge failed to participate in the election, which is tantamount to announcing that the campaign to exterminate the Vietnamese in Cambodia will continue regardless of which faction or party wins the election, the lives and standard of living of the Vietnamese, who are a minority there, will not change.

Some people feel that the long period of peaceful coexistence between the Vietnamese in Cambodia and the Cambodians will now come to an end because of the efforts to brainwash the people by the Khmer Rouge and those political parties that oppose the Vietnamese. Thus, it can be said that racial conflict has broken out again because of the actions of those running for election.

There are 250,000-400,000 Vietnamese living in Cambodia. The political parties in which they placed their hope is the Cambodian People's Party of Prime Minister Hun Sen. When this party was defeated, the future and fate of the Vietnamese in Cambodia was sealed. This is because the Funcinpec Party sought to win votes by attacking Vietnam, and Son Sann's Buddhist Liberal Democratic Party constantly tried to win votes by raising the issue of Vietnamese in Cambodia. Thus, the fate of the Vietnamese was on the line, too.

The younger Vietnamese who were born in Cambodia love Cambodia and regard it as their motherland even

though others view them as invaders. These younger Vietnamese Cambodians are very patriotic. They feel that because they were born in Cambodia, they are Cambodian. And the duty of all Cambodians, regardless of their race, is to be loyal to their native land even if it costs them their lives.

The fate of the Vietnamese in Cambodia does not depend on whether the Khmer Rouge joins the government, which is the latest proposal. Rather, it depends on whether Prince Sihanouk can form a coalition government. Because if he can form a coalition government, the killing of the Vietnamese in Cambodia will stop for the sake of national harmony. Prince Norodom Sihanouk is the only person who can decide this as the founder of a government.

Daily Highlights Viet-Khmer Ethnic Tensions

93SE0255A Bangkok BANGKOK POST
in English 9 Aug 93 p 8

[Excerpts] Phnom Penh (Reuter)—Anti-Vietnamese feeling is on the boil again in Cambodia and local papers are airing it with a vengeance.

Reaksmei Kampuchea (Bright Cambodia) daily printed letters in a weekend edition from readers outraged by the return of ethnic Vietnamese who fled their Cambodian homes in May. [passage omitted]

"The new government should deal with the problem of illegal Vietnamese immigrants before solving other problems," wrote Has Sophin, a visitor to the capital from north-west Banteay Meanchey province.

"We've only seen these people destroying natural resources, fishing illegally, stealing, causing fires and prostitution. There's little interest by these people in Khmer society. It's better to push them back to their country." [passage omitted].

Professor Em Sarun, based in the southern suburb of Takmau, called on the government to look to illegal migration from neighbouring Vietnam.

"Our country borders Vietnam. Beware of being like Kampuchea Krom," he warned in his letter to the paper. [passage omitted]

Phnom Penh residents say there is also a sizeable contingent of newly-arrived Vietnamese in the capital, some of them working in bars and brothels that serve UN troops sent to enforce a ceasefire and organise elections aimed at ending 13 years of civil war.

"After they (Vietnamese) returned to their country, they've come back again in a disorderly manner by land, river and short cut (through the forests). This is a worry that the Provisional National Government of Cambodia urgently needs to deal with," *Reaksmei Kampuchea* said in its Saturday editorial. [passage omitted]

Thai Bank Source Views Economic Situation

93SE0220A Bangkok LAK THAI in Thai
12-18 Jun 93 pp 25, 26

[Excerpts] [Passage omitted] A bank news source told LAK THAI that even though Cambodia's economic situation is becoming more and more attractive, before becoming involved there, the scope of the economic decline during the past 15 years needs to be fully understood. Moreover, even though more than 22,000 UN officials have been stationed in Cambodia, that does not mean that everything will improve quickly. Actually, the stationing of UN officials in Cambodia has also had some bad effects, including inflation, which has been very high since 1992. And the inflation rate is still very high today.

"Inflation in Cambodia has become more and more serious ever since the accord was signed in Paris. In 1992, the inflation rate was 284 percent. This stems mainly from the fact that Cambodia has been printing more and more money. During the period July-August, the Cambodian Government issued 27 billion riel (approximately \$13 million), which immediately led to a rise in inflation. The exchange rate jumped from 550 riel to the dollar at the end of 1991 to 2,600 riel to the dollar in September 1992. And the fact that more than 20,000 UN officials are stationed there has just made inflation worse. That's because those officials have much buying power, and they spend a lot of foreign currency. This has made the situation even worse." [passage omitted]

Cambodia's trade deficit is a major issue. In 1992 Cambodia imported goods worth \$700 million. Because of that, it had a huge trade deficit.

The news source said that even though the Cambodian economy has problems, Cambodia is still an interesting trade market. Because if peace is restored there, Cambodia will engage in a major restoration of the country. Besides this, UNTAC has been trying to reach a compromise and begin restoring the Cambodian economy. The IMF and World Bank have cooperated well. There are plans for solving Cambodia's long-term economic problems. One of the plans calls for increasing the revenues of the public sector by improving efficiency in tax collection.

Besides this, many countries in the world are providing much support to help Cambodia solve its economic problems so that peace can be restored there. This will increase the importance of the Indochina region. Those attending the international conference held in Tokyo, Japan, passed a resolution to grant \$800 million in aid to Cambodia to help it restore its economy. Also, 15 industrialized countries, led by France and Japan, expressed the intention to help pay off the \$65 million that Cambodia owes the IMF.

"If peace is restored in Cambodia, Cambodia's economy should rebound very quickly, and its economy will be very interesting. Thus, the Thai Government should keep an eye on this and take this opportunity even before things settle down. It should go in as soon as the dust begins to settle and things become clearer. Because today, it is Singapore that controls, or has a monopoly on the Cambodian market. Singapore's trade with Cambodia accounts for 70 percent of Cambodia's trade. The Thai government should take note of this and not let this opportunity slip by. Cambodia could be a gold mine, and so the Thai Government should attach much importance to this," said the news source.

MILITARY

President Reminds ABRI on Sensitivity to Society

93SE0239A Jakarta MERDEKA in Indonesian
12 Jul 93 pp 1, 11

[Text] Jakarta, 11 Jul (MERDEKA)—President Suharto reminded ABRI [Indonesian Armed Forces] to be attentive to developments related to the interests and aspirations of the various groups in society and to open the way for them to realize valid aspirations. To achieve this goal, each member of ABRI serving in the territorial, functional, and sociopolitical sectors must understand the dynamically expanding complexities of society and must also know how he fits in.

"ABRI must know when to take the attitude of 'in front, setting an example'; when to 'work in the midst'; and, if necessary, when to 'lead from behind.' ABRI also must always try to 'be disciplined and brave,'" the chief of state said Saturday [10 July] as he welcomed participants in the 1993 ABRI Leaders Conference (RAPIM) at the Bina Graha in Jakarta.

He also reminded them that since ABRI emphasizes a high level of professionalism in handling defense and security issues, ABRI also must possess high levels of capability and wisdom in handling sociopolitical and socioeconomic issues, in cooperation with other forces in society.

"I believe you can read the indications of all these developments. I believe ABRI is preparing itself to the utmost to continue fresh implementation of the ABRI dual function, consistent with the dynamics of our national development," the president said.

The chief of state declared that societal developments related to the future of the nation and state clearly have an impact on ABRI dual function policies and strategies in both the defense and security and the sociopolitical sectors.

At all echelons, ABRI must continue to be the stabilizer and backbone of the unity and integrity of the nation and of the continuity of the life of this national state. At the same time, all echelons of ABRI must provide dynamics, motivation, and protection for changes planned for the sake of greater progress.

National Strategy

At another place in his speech, President Suharto pointed out that the building of a national state is not a once-for-all accomplishment. A national state cannot be formed merely by sounding a proclamation. A national state must have strong spiritual roots in the hearts of its people and will grow through a constant effort to integrate all classes, circles, and groups in society into a single nation.

More than that, the chief of state said, a national state must also demonstrate its advantages by improving the

standard of living of its people. "History shows that a national state meeting all these requirements is a national state that is ordered democratically, not only in the political sense, but also in the economic and social senses," he stated.

He said experience shows that the democratic ordering of a national state is not established once-for-all. Indonesian society is already acquainted with direct democracy in village government. However, everyone must learn how to operate a representative democracy, or indirect democracy, which is a necessity in the life of a large country.

"Everything must progress in a spirit of togetherness and family and of national unity and integrity, which are the special features of our democracy," the chief of state said.

The ABRI RAPIM focused attention this time on ensuring successful implementation of the decisions of the recent MPR [People's Consultative Council], especially the fulfillment of the 1993 GBHN [Broad Outline of State Policy], which extends to the next quarter century.

Therefore, the president said, the results of this ABRI RAPIM are important to the performance of ABRI duties, not only in the next few years, but also in the next quarter century. "For that reason, we also need to place it in the context of long-term national policy and strategy," he stated.

Joint Effort

ABRI Commander [PANGAB] General Feisal Tanjung said in his report that ABRI is always the stabilizer and provider of dynamics to the nation's struggle to secure the success of national development, and ABRI is determined to continue to lead the way so that society will keep trying to improve on its hard work and progress.

The PANGAB also said that the current increasingly firm national stability is not entirely a result of ABRI effort but is also a result of joint efforts by all the Indonesian people, who possess greater awareness as they enhance their life as a society, a nation, and a state.

He noted that the 1993 ABRI RAPIM, which took place on 8 and 9 July, was attended by 175 people from the leadership and staff of the headquarters of ABRI, the military services, and the Indonesian Police; BAKORSTANAS [Agency for Coordination of Support for National Stability]; ABRI Headquarters Central Executive Board; ABRI personnel in the legislative branch; and POKOKAR [expansion not given] of the departments and high-level national bodies.

ECONOMIC

Habibie Justifies Secrecy of IPTN Finances

93SE0222A Jakarta KOMPAS in Indonesian
8 Jul 93 pp 1, 15

[Text] Jakarta, KOMPAS—Minister of State for Research and Technology Prof. Dr. B.J. Habibie said the annual financial report of the Nusantara Aircraft Industry (IPTN) is not for disclosure to the public. It is open only to the Indonesian people as the only stockholders, who are represented in the annual general meeting of stockholders solely by the Indonesian minister of finance.

He said this in reply to questions from DPR [Parliament] members during a working meeting between DPR Commission X and the minister of research and technology, who is also chairman of the Board for Study and Application of Technology (BPPT) and head of the Strategic Industry Management Board (BPIS). The meeting, held Wednesday night, 7 July, was led by Markus Wauran.

Several members asked why IPTN since its founding in 1976 has never revealed its annual financial report to the Indonesian people, who, it should be noted, own the stock of that aircraft manufacturer. The lack of disclosure makes many people ask whether IPTN is profitable or suffering losses.

Addressing that question, Habibie said emphatically that the Indonesian people are the only holders of IPTN stock. Therefore, IPTN is open only to the Indonesian people at the annual general meeting of stockholders, at which the IPTN principal director meets with the Indonesian minister of finance as representative of the Indonesian people. Habibie said the annual meeting is sometimes attended by several ministers involved. According to Habibie, disclosures about IPTN cannot be made openly through the mass media. If that were demanded, the result would be that everyone would know the finances and detailed strategy of IPTN. Such a procedure, Habibie said, would only hurt IPTN in its competition with foreign aircraft industries.

"I would be crazy to do that. 'Nobody will do that.' It would be in the newspapers so that everyone could read it," said Habibie in a high-pitched voice. Habibie flatly denied that such a position could be considered untransparent.

To explain this position, Habibie used the analogy of a company for which stock ownership is private. Say, for example, that Bakri has a company whose stockholders are members of Bakri's own family. "The general meeting of stockholders of such a company would naturally be limited only to the Bakri family. It would be different if Bakri were to 'go public,' for the public would have the right to know," he said.

In response to a DPR member who asked the break-even point of the Bandung-based aircraft maker, Habibie said the question is unanswerable, since IPTN is not exclusively an aircraft manufacturer. It also has a research and development division, and even tests rockets.

"If you ask the break-even point of IPTN, I cannot answer. If you ask the break-even point of the N-250 aircraft, I can say it is when 250 of them are sold," Habibie said.

Still Difficult

In statements to reporters specially invited to visit IPTN the same day (Wednesday afternoon, 7 July), it was acknowledged that the marketing of IPTN products is difficult now. The reasons for this are the dependence of the economies of developing countries on industrialized countries, lengthy negotiations, and low domestic air fares. Although technology transfer is being done successfully, IPTN needs "financial backup" or the support of financial institutions for the sales process in order to speed up financial profitability.

This admission was voiced in statements made by PT [Limited Company] IPTN Production Director Edi Susilo, Chief of Program Coordination Division Yuliswar, and Deputy for Engineering Usman S.D., who welcomed the reporters.

According to records kept by TEMPO magazine, PT IPTN, which has total assets of 3 trillion rupiah, has yet to break even. The aircraft plant, which is a source of national pride, had a profit of 10 billion rupiah in 1985 and a profit of 2.2 billion in 1988 but had losses in other years. In 1986, for example, it lost 15 billion rupiah, and in 1988 [as published] it lost 19 billion rupiah. In 1992, it recorded losses of 3 billion rupiah despite revenues of 401 billion rupiah.

Funding Problem

According to the PT IPTN production director, the market for IPTN products is extensive and good, as reflected in a study the company made jointly with the Department of Communications. A factor supporting a good domestic market is the growth of tourism and industry, which require at least 300 new air routes. The funding problem is a hindrance, however, because there is still not enough "financial backup" to help buyers. "IPTN itself cannot provide financing," Edi said.

PT IPTN is now working on N-250's, for which all design was done by the company's technicians. The intelligent plane, for which original design was begun five years ago, has now reached mock-up (replica model) phase three (prototype stage). It uses "fly-by-wire" (electronic) technology, weighs 24,800 kilograms, and can carry 50-64 passengers. "This plane designed by us will be the first in its class to use 'fly-by-wire,'" said Deputy for Engineering Yusman S.D., one of its designers.

Predictions of Growth, Inflation for 1993

93SE0241A Jakarta SUARA PEMBARUAN
in Indonesian 21 Jul 93 p 11

[Text] Jakarta—The structural changes that have occurred in the Indonesian economy during the last several years represent an important phase in the history of Indonesian economic development. These changes have had a part in supporting the formation of a stronger domestic economic foundation and structure. This is needed to support greater economic growth that can continue without significant interference with macroeconomics.

In the Bank Indonesia report for 1992-93, which was published in May 1993, it was said that with a stronger and more balanced structure, there will be greater resistance to flareups in international economics and trade. The most prominent economic structural change in the last two years has been the expanded role of the manufacturing sector, which has exceeded the role of the agriculture sector.

In addition, non-oil-and-gas exports, most of which are manufactured goods, have risen quite quickly to the point that they have become the main support for the improved balance of payments. Although confronted with a number of domestic problems, particularly on a micro scale, the Indonesian economy, with its more balanced structure, recorded considerable growth in 1992, although a little less than in previous years.

This greater growth, according to the report, has been achieved even while the world economy was still sluggish. By giving consideration to the matters mentioned above and by maintaining appropriate and consistent adaptive policies, Indonesia will continue to have bright economic prospects in the coming years; and the second long-term development, beginning in 1994-95, will progress smoothly.

Indonesian economic activities in 1993-94 are expected to expand because of support by considerably improved international factors and by domestic factors in the form of the achievements made thus far and the policies that will be followed.

With the economic policies, including more relaxed monetary measures via interest reduction, that were introduced by the main industrialized countries to stimulate their sluggish economies, economic activity in those countries is expected to recover. That recovery will have positive effect on international trade and on economic activity in various other parts of the world, including Indonesia.

Average Rise

The economies of the industrialized countries are expected to grow by an average of 1.5 to 2.0 percent, and the world economy is expected to grow by an average of 2.3 percent, up from 0.9 percent in 1992. This trend toward improvement in economic growth is not

expected to spur inflation, which is about 3 percent in the industrialized nations. Meanwhile, economic growth in East and Southeast Asia is expected to rise a little, and these areas will continue to record higher economic growth than other regions.

The group of newly industrialized countries in this region will experience an average economic growth of from 6.5 percent to 7.1 percent. The ASEAN countries will have a growth of 6.7 percent, compared with 5.6 percent in the previous year. China's economy is still expected to grow at the impressive rate of 9.2 percent, although that is a little lower than in the previous year (10.8 percent).

In line with the improving world economy, the world trade volume is also expected to grow 6.7 percent, up from 4.5 percent in 1992. Although the price of oil in 1993 is not expected to be higher than in the previous year, primarily because of the excess oil supply on world markets as a result of renewed Iraqi and Kuwaiti production, the prices of several other primary commodities on international markets are expected to rise a little, by about 2.6 percent, but they will still remain at low levels. Meanwhile, international monetary conditions are expected to be more stable, with relatively low interest rates.

Besides these improving world economic conditions, the achievement of better macroeconomic balance in 1992 gives the government more room to move in stimulating economic activity through the coordination of fiscal and monetary policies and policies for structural adjustment in various sectors.

Sharpening Priorities

As we know, the 1993-94 APBN [National Budget] exhibits a sharpening of priorities in government spending, in line with the government's efforts to provide a better infrastructure, thus stimulating domestic investment and production activity. Overall, government spending is projected to rise by 7.1 percent, compared with 11.9 percent in the previous fiscal year. Of that amount, expenditures that affect revenues will consist of a 9.0 percent increase in purchases of domestic goods and services, while overseas expenditures, including debt installments and foreign loan interest, will rise by 4.3 percent.

On the monetary side, Bank Indonesia will keep trying to reduce tight money conditions while holding to cautious monetary policies. It is hoped that this will encourage the granting of more bank credit in 1993. With the achievement of meaningful progress in the bank consolidation process, a little expansion of bank credit is expected, which in turn will encourage more domestic investment and production activity. The economy is also expected to grow satisfactorily. Money in circulation in the broad sense (M2) is expected to increase by about 20 percent.

In line with these macro policies, it is hoped that efforts to encourage greater overall economic efficiency, primarily in domestic industry and especially in industry oriented to exports, will increase, thus strengthening the competitiveness of domestic products. Improving competitiveness is something that needs to be done continuously in order to take better advantage of opportunities and to face the increasingly sharp competition in international trade. In connection with this, deregulation measures in the real sector, particularly in the context of encouraging and improving the investment climate, will get more attention.

With attention being given to these external and internal factors, Indonesian economic growth in 1993 is expected to approach the 7 percent figure, a meaningful increase when compared with the 1992 growth of about 6 percent. This development will not only be encouraged by the overseas sector, which is based on non-oil-and-gas exports, but will also be accompanied by more domestic investment activity, which has suffered a slowdown in recent years.

Increase

Non-oil-and-gas exports in 1993 are expected to continue to rise rapidly, as in previous years. Meanwhile, exports of oil and gas are not expected to improve very much. Rising domestic demand in 1993 is expected to increase imports a little, thus making growth more than in prior years.

Nevertheless, export growth that is greater than import growth will continue to bring improvement to the current account balance in the balance of payments. Thus the current account balance, as a percentage of the gross domestic product, is expected to keep declining. More stable domestic economic conditions and a better investment climate, along with relatively low interest rates on international markets, will encourage the entrance of more foreign capital into Indonesia.

Thus, because foreign capital investment, both direct and indirect, will remain high, the overall balance of payments in 1993 will still have a surplus.

With the high rate of inflation in the first quarter of 1993, and in line with increasing domestic economic activity, inflation in 1993 is expected to rise significantly over the 1992 figure. Since the impact of adjustments made to prices on a number of goods in January 1993 will settle down in subsequent quarters, it is hoped that inflation will turn down again to about 5-6 percent in fiscal 1993-94.

Sanctions on Companies Wasting Energy

93SE0243A Jakarta *SUARA PEMBARUAN*
in Indonesian 12 Jul 93 pp 4, 12

[Text] Jakarta (SUARA KARYA)—Sanctions are to be imposed on industries that waste energy, because the industrial sector is the most wasteful in the use of energy.

"The types of sanctions and how the mechanism will work are to be stipulated by laws and implementing regulations," said Artono Arismunandar, director general of electricity and new energy development, as he visited the Department of Energy's stand at the Jakarta Fair Saturday night [10 July].

According to the director general, sanctions are also being applied in the framework of giving more publicity to energy economy, which the government is now promoting.

He said research shows that the industrial sector, besides being the largest user of energy, is the most inefficient.

Current energy waste in the industrial sector amounts to 20 percent of total national energy consumption, Artono said.

The industrial sector accounts for 45 percent of the total national energy consumption of 400 million barrels of oil equivalent (SBM).

The transportation sector occupies second place in energy with 35 percent, while the rest is used by households and housing, the director general said.

The survey reveals that the industrial sector is the most wasteful in its use of energy, because it is consuming 20 percent more than it should.

"The level of waste by the transportation sector and households is 15 percent," said the principal director of the BUMN [state-owned business enterprise], which is under the supervision of the Department of Mining and Energy.

Therefore, efforts to improve and publicize the energy conservation program will be emphasized in the sector evaluated as the most wasteful of energy, namely the industrial sector.

The Department of Mining and Energy initiated energy conservation activities in the early 1980's.

The director general said the use of sanctions must be balanced by extending appreciation to those who are evaluated as successful in economizing on energy.

For that purpose, besides the imposition of sanctions, consideration must be given to incentives, such as tax relief and other things, to industries successful in conserving energy.

17 Percent

Artono said these efforts are being made so that by the year 2000 the energy conservation program in Indonesia can be realized in accordance with the national energy economy target of 17 percent of energy consumption.

According to the director general, attention must be given to the fact that the use of energy in Indonesia is still wasteful.

As an example, he said that energy consumption of at least 3,329 SBM is needed for each \$1 million (2 billion rupiah) of national gross domestic product.

In comparison with neighboring countries like the Philippines and Japan, energy use in Indonesia can be considered quite high.

PT PAL Dependent on Imported Components

93SE0243B Jakarta ANGKATAN BERSENJATA
in Indonesian 17 Jul 93 p 3

[Text] Surabaya (ANGKATAN BERSENJATA)—Lateness and high prices of products of the PT PAL [Navy Shipyard Limited Company] are generally not the fault of PT PAL but are caused by continued acquisition of some ship components from abroad. Domestically produced components, however, do not interfere with the shipyard's production.

Wulang Widodo, PT PAL director of production, said this as he received a delegation of reporters from the Communications Unit of the Greater Jakarta PWI [Indonesian Journalists Association], who visited the shipyard Friday [16 July].

According to Wulang Widodo, almost 50 percent of the components used in PT PAL's ship construction are still imported from abroad.

He also explained that the high prices of ships are the result of financial burdens, which are also linked to other agencies.

He gave an example of what is involved in deciding whether a price is to be low or high. If PT PAL must bear the financial burden during the construction period of about two years, is that not a burden to PT PAL?

Usually, 75 percent of the funds for building a ship are at risk for PT PAL, whereas the party placing the order provides only 25 percent. This means that PT PAL subsidizes the construction of new ships.

High Technology

The PT PAL director of production said high-technology equipment is used in the PT PAL complex and that investments are indeed large. Nationally, PT PAL has assets of more than 1 trillion rupiah.

The 5,822 Indonesian nationals who make up the work force are able to operate this equipment themselves. Of those workers, 502 have bachelor's degrees; 334 have three-year diplomas; 2,694 are high school graduates; 1,229 are junior high school graduates; and 1,065 have primary school education.

At present, PT PAL not only builds new ships, but also services TNI-AL [Indonesian Navy] warships. In the past, the servicing of warships was done overseas.

Beginning in 1994, PT PAL will build 10 ships of the 500 type. Also, in the framework supporting the transportation of non-oil-and-gas exports, PT PAL will build a number of large container ships.

These ships will be of varied sizes to transport 400, 1,600, and 2,700 containers. The best of the planned ships is for 4,000 TEU [20-foot equivalent units]. These containers [as published] are for PT Jakarta Lloyd.

PT PAL has also made industrial products other than ships. These include defense and security equipment, guns for ships, electrical equipment for the Gresik PLTU [steam power plant], and similar things.

Since its founding in 1980, PT PAL has built ships for the government, including 25 delivered to the Department of Defense and Security. Another seven are in process.

Other ships for the government include those ordered by the Directorate General for Sea Communications, PERTAMINA [National Oil and Natural Gas Mining Company], and the Directorate General for Fisheries. A ship, the Carakay Jaya, ordered especially for commercial use by PT PANN [National Merchant Fleet Development Limited Company] has been delivered.

One thing to be proud of now is that PT PAL is assembling a number of Jetfoil fast vessels, for which the basic engines come from the United States. Various new technological discoveries in the shipbuilding field are now being developed in the company.

Public Disappointed With Auto Deregulation

93SE0222B Jakarta KOMPAS in Indonesian
5 Jul 93 p 3

[Text] Suddenly, all the hopes and dreams of the people during the last five years for getting a cheap commercial vehicle through deregulation have been shattered. Since the announcement of deregulation in June, Minister of Industry Tunku Ariwibowo and other participants in the automotive industry have emphasized that the prices of category one vehicles, jeeps, and sedans are not going to decline through deregulation. "It is an erroneous perception to think that deregulation is for reducing car prices," Tunku said.

Deregulation is for increasing the efficiency of the national automotive industry over the next five years. During that time, the automotive industry must be spurred to increase local content, which will automatically increase the portion that uses local resources, both upstream and downstream. To achieve that, the government is providing incentives to participants in the automotive industry who can achieve local content goals for both commercial vehicles and sedans.

"This is the objective of deregulation. If vehicles are made efficiently, prices will drop by themselves, because the remaining components still imported will have low import duties or none. Development will be left entirely

to those who choose it. Whatever is economical for development, please do it," Tunky said.

It is not that the people are asking merely that the government be willing to understand their hopes and dreams. In other words, it is only proper for the government to stress future projections for achieving efficiency if the government itself wants a native automotive industry that the people can be proud of without ignoring any technology standards for the safety of users.

Steps in that direction began in 1976 through SK [Letter of Decision] No. 307/M/SK/8/1976, which stressed that "full manufacturing" would be achieved by 1981 and prescribed a schedule for use of local components. As of now, however, that goal has not been realized. In fact, no less than Minister of Industry Hartarto, who replaced A.R. Soehoed, revised the policy three times in 17 years.

The government's understanding attitude toward the difficulties faced by auto producers was seen in its easing of the "full manufacturing" obligation by specifying eight local components for category one vehicles: engine, transmission, steering system, clutch system, brake system, wheels, drive shaft, and cabin, as provided in SK No. 371/M/SK/9/1983.

Then, about 1984-1985, the car market collapsed unexpectedly. To overcome that, a further "review" was made through SK No. 34/1987 of 3 February 1987. The main point was the addition of 40 components to those previously regulated, imposing duties of 0 to 5 percent on components not yet produced in Indonesia and providing a protection of 50 percent for components manufactured in Indonesia. The year 1991 was then set as the target for "full manufacturing." Many people felt, however, that the target was not reached. For that reason, Tunky Ariwibowo issued SK No. 114/M/SK/6/1993 on local content of motor vehicles in Indonesia by providing a nonpenalty incentive system for efficiency.

The people feel this measure is not fair, either, because what they want from phased policy, as the government calls its June deregulation, is not efficiency, fewer makes, or specific manufacturers. It is, instead, a challenge to automobile makers to make their industry efficient enough to compete with imported products. One of the steps would be to set duties that are not too high on "completely built up" imports. If the government is afraid Indonesian highways will be flooded with imported cars, it could choose the alternative of reducing the sales tax on luxury goods from 35 to 15 percent, particularly for commercial category one and sedans under 1,600 cc, which, in fact, are the products chosen as mainstays.

At first glance, the second alternative would appear to reduce state revenues. When calculated, however, the case is otherwise. If cars are cheaper, the volume will be greater. This would mean that state revenues would be even larger, despite an absolute sales tax rate of only 15 percent on luxury items.

The question now is, will the government give opportunity to middle and lower class consumers to buy cars cheaply, or will the government let cars be the property of certain groups, allowing them, as they do now, to proudly show off cars with such names as Porsche, Jaguar, or Toyota Lexus.

The people always charge that this deregulation policy was issued in the interests of auto makers, whom people call loan sharks who take advantage of the inability of the people to choose. People also charge that the government has an inflexible position on maintaining tax revenues without seeing the aspect of the interests and desires of the general public. It is also possible that in the minds of the people, this deregulation is for the sake of makes of sedans of 1,600 cc and under whose makers had prepared themselves in advance. By means of small-scale investments, they await the right time to become an importer of vehicles for which they serve as agents. They will gather profits from this, slowly but without feeling guilty.

Firm Action Urged on Synthetic Fiber Dumping

93SE0222C Jakarta ANGKATAN BERSENJATA
in Indonesian 8 Jul 93 p 3

[Text] Jakarta, (ANGKATAN BERSENJATA)—Circles in the DPR [Parliament] are urging the government to take strong action immediately against the dumping of synthetic fibers—polyester and nylon yarn—by South Korea and Taiwan, because if it is allowed to continue it can destroy the national textile industry.

This view was presented Wednesday, 7 July, in Jakarta by H. Syaiful Anwar Husein, chairman of Commission VII, which handles trade and financial issues, and Tajuddin Nursaid, member of Commission VI, which deals with industry, mining, and energy.

They presented their statements in connection with conditions in the synthetic yarn industry, which is threatened with "collapse." As previously reported, Indonesian producers of synthetic fiber are screaming, because South Korea and Taiwan are selling their products at "dumping" prices.

Synthetic fiber producers say that since the second quarter of 1992, South Korea and Taiwan have exported polyester filament, textured polyester, and nylon filament yarn to Indonesia at prices much lower than selling prices and cost of production in their own countries.

For example, the average selling price of polyester from South Korea in the second quarter of 1993 was \$1.80 per kilogram, whereas its price in Korea was \$2.10 per kilogram. Taiwan sold nylon filament to Indonesia at a price of \$2.00 per kilogram, whereas at home it sold for \$2.20 per kilogram.

According to Syaiful, the Depas'tment of Trade must take firm action immediately, because the dumping practice is contrary to provisions of GATT.

Destroy

He declared that the practice of dumping could destroy the national textile industry and ruin the entire industrial investment climate, which would, in turn, interfere with national economic growth.

The Commission VII chairman therefore urged the government to take firm action immediately to protect domestic industries and markets.

"The government must take firm action immediately to save the domestic textile industry. This matter is linked to Indonesia's efforts to strengthen its industrial structure, both downstream and upstream. Without protection, this clearly will be difficult to do," Syaiful asserted.

He added that if the government does not immediately take firm action, it is possible that dumping will take place in other industries. "If domestic industry does not have a role, outside parties will easily regulate prices, and the impact will be increasingly extensive. Thus, efforts to enter upstream industry will be a problem, because the chain will have been broken in the middle. The result will be even greater Indonesian dependence on the outside," he declared.

Meanwhile, Tajuddin said that in the international trade sector dumping is an unfair (dishonest) trade practice and violates GATT provisions.

Tajuddin revealed that in a working meeting with Commission VI last month, Minister of Industry Tunku Ariwibowo said that to resolve the dumping problem the government will impose additional import duties after first making price checks.

Looking at data on selling prices of polyester and nylon in those two countries, Tajuddin believes there is a strong indication that dumping is the trade practice of both countries.

He stressed that the dumping conducted by other countries not only interferes with domestic industry, but also directly affects national economic stability.

He urged, therefore, that the Department of Industry submit a report immediately to the minister of finance and the Department of Trade for further, immediate action.

U.S. Warning Prompts Effort To Improve Labor Conditions

93SE0222D Jakarta KOMPAS in Indonesian
6 Jul 93 p 3

[Text] Jakarta (KOMPAS)—To meet the demands of the United States Government, which threatens to withdraw

GSP [General System of Preferences] facilities, the Indonesian Government is continuing its efforts to improve the welfare of workers. Methods include expediting increases in the minimum wage and encouraging formation of labor union units in companies.

Dr. Payaman Simanjuntak, director general of development and supervision of manpower norms in the Department of Manpower, said this as he expanded on information given by Minister of Trade Billy Joedono. The minister of trade said that, based on statements made to the press by the U.S. trade representative, the Indonesian labor issue will be a main consideration in reviewing provision of GSP facilities.

Petitions presented by several social organizations say that Indonesia is one of 10 countries whose labor practices should get attention.

GSP facilities afforded to Indonesia by the United States in the form of reduced duties on Indonesian exports to that country expired on 4 July. So far, however, the U.S. Government has not given any certainty as to the extension or termination of those facilities.

Up to now, the only thing decided is an extension until 15 February 1994 of the period for review of Indonesian qualifications to receive GSP facilities. In the near future, the United States will be sending a team to discuss preparations Indonesia must make to continue receiving them.

Payaman said that during the last several years the Indonesian Government has promulgated policies for expediting increases in the minimum wage from an initial average of once every two years to once a year. The government is also encouraging the formation of SPSI (All-Indonesia Labor Federation) units at companies to accommodate and channel the aspirations of workers. In fact, no less than the chief of state himself has stressed that an SPSI unit should be formed in every company.

Nevertheless, the government cannot force workers to establish SPSI units in their companies. "The principle behind the formation of labor union units is that of being voluntary, based on the awareness and readiness of workers to manage the units themselves," he added.

According to KOMPAS observations, many businessmen in Indonesia are still "allergic" to labor union units and try to hinder their establishment in their companies. Workers with idealism and courage to form labor union units are often the victims of unilateral job terminations by company management.

POLITICAL

Reportage on Kelantan UMNO Elections

Changes Needed

93SE0227A Kuala Lumpur UTUSAN MALAYSIA
in Malay 4 Jul 93 p 8

[Article by Rosli Ismail: "Winds of Change in Kelantan UMNO"]

[Text] A reporter long assigned to Kota Bharu says he could write at least 10 full pages of news a day about Kelantan UMNO [United Malays National Organization] politics if he could hang around all night at the coffee house of the Murni Hotel.

The hotel, located in the center of Kota Bharu, became a meeting place and main gossip arena, especially for UMNO people in Kelantan, after the PAS [Pan-Malaysian Islamic Party] government "closed" Perdana Hotel's door to official UMNO meetings not long ago.

The heated atmosphere at the coffee house is a reflection of the temperature during this election year for the state's UMNO branches and divisions.

According to information received so far, only four of the 13 presidents of UMNO divisions in Kelantan can sleep soundly.

The UMNO division presidents who are not expected to be challenged this time are only Datuk Ariffin Said in Gua Musang, Datuk Abdullah Ahmad in Kok Lanas, and Jelani Jafar in Pasir Putih.

Former Kelantan Chief Minister Tan Sri Mohamed Yaacob, who heads the Tanah Merah UMNO Division, is reportedly set to make way for his protege Hashim Safin, who is the current youth president in that division.

In other divisions, however, movements toward challenging division presidents were detected very early.

Places expected to have intense contests include Pasir Mas, Tumpat, Kota Bharu, and Bachok.

In Nilam Puri, Senator Datuk Annuar Musa, who is also deputy chairman of the state's UMNO Liaison Committee, is not very safe, because he is expected to be challenged by former university lecturer Nik Aziz Nik Hassan.

Tengku Ahmad Rithauddeen, president of the Kota Bharu UMNO Division, who at first was reportedly planning to make way for his deputy, former Kelantan Chief Minister Datuk Ahmad Rastom, has changed his mind.

The veteran leader recently indicated that he will defend his position.

Three people, including Ahmad Rastom himself, are expected to run against him. Another is Zaid Ibrahim, former president of Muslim Attorneys.

At Rantau Panjang, Datuk Hussein Ahmad, president of Malaysian UMNO Information, will be challenged by Mohamed Zain Ismail, youth president in that division.

A sign that the heated election atmosphere in this state can no longer be concealed is the recommendation made by Apandi Ali, Kelantan UMNO legal adviser, that UMNO Headquarters suspend elections in the state.

He said Annuar Musa reportedly will talk with Prime Minister Datuk Sri Dr. Mahathir Mohamad about submitting the recommendation to a meeting of the Supreme Council.

UMNO Secretary General Datuk Mohamed Rahmat apparently leans toward asking that the matter be handled by the Liaison Committee of Kelantan UMNO itself.

Commenting on the subject when he talked with reporters at a meeting in Kuala Lumpur yesterday, Mohamed Rahmat said power is given to the state UMNO liaison committees to resolve any problems that arise at the division level, and to divisions to resolve problems that arise at the branch level.

So far, the UMNO Supreme Council has exempted only Sabah UMNO from holding division and branch conferences.

Ibrahim Ali, member of Parliament from Pasir Mas, said in an interview with UTUSAN MALAYSIA that he does not approve of the recommendation for suspending elections in the state.

Ibrahim Ali, who will be running against Division President Hassan Ismail, recommends instead that UMNO Headquarters send a supervisory committee to oversee branch and division conferences and ensure that they are "clean" and conducted according to rules.

Ibrahim Ali feels the State Liaison Committee, which is made up of division presidents themselves, are not able to perform their referee function fairly, because they have their own interests.

Ismail Mamat, vice president of the Machang UMNO Division, also does not agree with the recommendation for suspending elections, because he considers internal problems in branches and divisions to be normal.

He puts his confidence in the State UMNO Liaison Committee to be the supervisor.

UTUSAN MALAYSIA was told that the motivation for the recommendation was an effort by some people to keep their positions "without interference."

The question now is why the contest is so much hotter in Kelantan than in other states.

Ibrahim Ali claims inappropriate tactics have been noted, such as holding branch conferences secretly and canceling the conferences of branches identified as not supporting certain people.

Ahmad Rastom told UTUSAN MALAYSIA that he has been facing "attacks" more serious than when he ran against PAS during the general election campaign.

"The only things lacking are the general election campaign posters," he said jokingly.

He considers Ibrahim Ali's recommendation that UMNO Headquarters send a supervisory committee as "a good suggestion but impractical."

Many political observers feel that the heated election atmosphere in Kelantan is driven by UMNO's 39-0 defeat in the general elections at the hands of the Angkatan Perpaduan Ummah [Islamic Unity Movement] for State Legislature seats and the 13-0 defeat for seats in Parliament.

After UMNO suffered that tragedy, there arose a general feeling that Kelantan UMNO needs to conduct a "house-cleaning" to restore its image.

Although the Tengku Razaleigh Hamzah factor and the influence of the Kelantan Palace are said to be encouragements to the state's people to change directions, some people say the image and performance of UMNO division presidents have hurt their chances.

There are even some who feel that all the UMNO divisions in the state should be led by new people to make the UMNO machine more able to face PAS and the Spirit of '46.

When asked to comment on this view, Ahmad Rastom said that age and whether a person is new or not in heading a division are not important.

"The important thing is whether one has interest in continuing to be a leader and is willing to work, and is not interested simply in filling a position," he declared.

He believes a new group of division leaders who will truly work as a team is needed to restore Kelantan UMNO.

Ahmad Rastom, who has been deputy president of the Kota Baharu Division of UMNO for 16 years, believes the present group does not meet the criteria for facing PAS and the Spirit of '46.

He said he does not question the ability of Annuar Musa as deputy liaison chairman of the state UMNO. "He just needs time to get support," he said.

Ibrahim Ali—who claims he encouraged Kelantan UMNO by his withdrawal from the Spirit of '46 six months after the 1990 general elections, thus inspiring many people to rejoin UMNO—says jealousy and the desire to hang on to positions must be eliminated for the good of UMNO in the state.

"Those who are unacceptable and can no longer function should realize that and withdraw in an honorable way," he declared.

Ready To Challenge PAS

93SE0227B Kuala Lumpur BERITA HARIAN
in Malay 7 Jul 93 p 1

[Text] Kuala Lumpur, 6 Jul—Kelantan UMNO is ready to face the state's PAS government if early general elections are held, says Deputy UMNO President Ghafar Baba.

He says he is satisfied with UMNO's strength in Kelantan, which has been achieved by close cooperation among party leaders at all levels, including divisions and branches.

"UMNO is now ready to take over state administration again from the PAS-led government in order to channel more development to the state.

"Kelantan UMNO is now running well, and it is up to the people to make judgment," he told reporters after he chaired a closed meeting of the Liaison Committee of Kelantan UMNO at Carcosa Seri Negara today.

Datuk Annuar Musa, deputy chairman of the state's UMNO Liaison Committee, was also present. All UMNO division presidents in Kelantan attended the meeting, which lasted more than three hours. They included Datuk Hussein Ahmad, Tengku Ahmad Rithauddeen, Tan Sri Mohamad Yaacob, Hassan Harun, and Datuk Ariffin Said.

Ghafar said he attended the meeting as the representative of Datuk Sri Dr. Mahathir Mohamad, chairman of the Liaison Committee of Kelantan UMNO, who is now on vacation abroad.

He said the meeting especially discussed preparations for general elections in Kelantan if they should be called suddenly.

When asked about the status of UMNO leaders in the state, Ghafar said that he did not see any problem and that they show strong unity.

"Everyone present showed unity. They are quite good. I am pleased. Each one there came from a distance and paid his own expenses.

"They were of one mind in deciding the machinery for the general election. There was no disagreement at all in today's meeting," he said.

Regarding the statement made by Kelantan Chief Minister Nik Abdul Aziz Nik Mat that Islamic scholars should control the East Coast government until the Judgment Day, Ghafar said the Islamic scholars in PAS are not the only ones with a right to govern the state.

"There are many Islamic scholars in UMNO, too. We realize Islam is a good religion and that our government is based on Islamic principles," he said.

As for the possibility of UMNO's presenting religious leaders to face the PAS government in Kelantan, Ghafar said UMNO is a party with a collective basis and does not depend upon one individual.

When asked about the statement of Ibrahim Ali, member of Parliament from Pasir Mas, in which he asked the central government to cut the allocation of 409,000 ringgit for that area, Ghafar said the allocation should not be withdrawn, because it is in the public interest.

He said representatives of the people need to cooperate with division and branch committees to ensure that development continues.

Ibrahim had said earlier that he was willing for the 409,000 ringgit allocation for approved small projects in that area to be withdrawn if it becomes an issue and a problem for the Liaison Committee of Kelantan UMNO.

MCA Determined To Defeat DAP

93SE0229A Kuala Lumpur UTUSAN MALAYSIA
in Malay 28 Jun 93 p 2

[Text] Kuala Lumpur, 27 Jun—The MCA [Malaysian Chinese Association] is determined to recapture in the next general elections the Parliament and State Legislature seats controlled by DAP [Democratic Action Party] in Pulau Pinang, MCA President Datuk Sri Dr. Ling Liong Sik said today.

He said he is confident that with the capabilities of the young leaders of the party the MCA can retake the seats.

For that purpose, the MCA will form a special task force to focus especially on Pulau Pinang State to ensure that the plan is realized.

He said this to reporters today at the MCA Building after delivering the closing speech on the last day of the 40th MCA General Assembly.

Dr. Ling, who is also minister of transport, said this matter is one of the main items on MCA's agenda following his reelection as party president in yesterday's election.

The president was successful in keeping his position by defeating his only challenger, Woon See Chin, with a vote of 1,490.

"As is usual in politics, the MCA wants indeed to expand and develop its influence, and it is our desire, therefore, to retake all the areas controlled by DAP," he said.

In addition, he said, attention is being given to the Langkawi project for creating a resource center for improving the education of rural Chinese.

Commenting on the possibility that MCA may ask the National Front (BN) [Barisan Nasional] to give the party more seats in Parliament and state legislatures in the next general elections, he said:

"That will not be discussed publicly. The subject is only discussed privately between the MCA and the BN."

Dr. Ling also announced that UMNO will approve a resolution passed by the MCA in this general assembly calling on the Elections Commission to increase, for the sake of enhancing a spirit of harmony, the number of mixed-community election districts during the redrawing of election districts.

Nevertheless, he said, he will discuss the resolution with the BN first in order to get feedback.

When asked about the basis of MCA's struggle under his leadership during the next three years, Dr. Ling said his objective will be to help the BN guarantee political stability in the country.

Chief Ministers Offer To Run for UMNO Vice Presidency

93SE0229B Kuala Lumpur UTUSAN MALAYSIA
in Malay 3 Jul 93 p 7

[Text] Kuala Lumpur, 2 Jul—Four chief ministers have offered to run for vice president during the UMNO [United Malays National Organization] General Assembly in November, Terengganu Chief Minister Tan Sri Wan Mokhtar Ahmad said today.

He said, however, that the chief ministers did not come to any decision in their meeting today as to their official candidate for the post.

He said they may not make a decision until August or September.

Wan Mokhtar, who acted as spokesman after chairing the meeting, was unwilling to name those from the group who had offered to run.

He said that although the names of those who are interested need not be mentioned, the matter is actually an open secret.

Speaking to reporters, Wan Mokhtar explained that the offers to run were a good development, because some people feel chief ministers are popular only at the state level.

"The more candidates, the better," he said briefly.

Earlier, Selangor Chief Minister Tan Sri Muhammad Muhd. Taib was the first candidate to offer to run for the position.

He was followed by Perak Chief Minister Tan Sri Ramli Ngah Talib, Johor Chief Minister Tan Sri Muhyiddin Yassin, and Melaka Chief Minister Tan Sri Rahim Tamby Chik.

However, Rahim is said to be interested in offering to run for president of the UMNO Youth Movement if the current president, Datuk Sri Najib Tun Razak, withdraws to run for vice president.

He said that the matter was not actually a meeting agenda item this time but that it was discussed outside the agenda.

Wan Mokhtar said all the chief ministers, who also serve as presidents of the state UMNO liaison committees, feel that one of them needs to hold at least one of the vice presidential positions to represent the chief ministers on the UMNO Management Committee.

He said this need is based on the party structure, which has a Management Committee that holds meetings from time to time before matters are taken to meetings of the Supreme Council.

"I once represented the chief ministers on the committee. Without anyone to represent the chief ministers, there would be many big matters that we would be left out of, thus forcing us to discuss them openly in the UMNO Supreme Council," he said.

According to Wan Mokhtar, a decision on a vice presidential candidate representing the chief ministers will not be announced until August or September.

MILITARY

Talks With Australia on Building Patrol Ships

93SE0224A Jakarta KOMPAS in Indonesian
8 Jul 93 p 13

[Text] Sydney, 7 Jul—Australia and Malaysia are now discussing a project to build 39 patrol ships for the navies of the two countries at a cost of more than \$3 billion [Australian dollars] (4.2 trillion rupiah). The construction of the 39 vessels will make Australia the largest producer of defense equipment in Asia.

John White, director of Transfield Shipbuilding, said Wednesday, 7 July, that the ships will be built under a work arrangement like that called for in the \$4.6 billion (6.44 trillion rupiah) contract for construction of Anzac-class frigates. Under the latter contract, Australia and New Zealand work together to achieve maximum benefit by job creation, technology transfer, and low prices.

Australia needs 12 80-meter, 1,200-ton patrol ships. They are to replace the smaller Fremantle-class patrol craft by the end of the decade. Malaysia needs 27 of the ships. "Both governments have indicated that they are interested in vessels about 80 meters long," White told REUTERS.

This naval project, which is to encompass a total construction of 46,800 tons, is the largest in Southeast Asia. It will be bigger than the Australia-New Zealand program for 10 frigates of 3,500 tons each.

According to an Australian Defense Department spokesman, Minister of Defense Robert Ray met in Kuala Lumpur with his counterpart, Minister of Defense Najib Razak to discuss these plans. He could not say when discussions will end, although sources expect a decision to be announced in Kuala Lumpur at the end of this year.

Larger

The dimensions of the to-be-constructed Australia-Malaysia patrol ships will be larger than usual for patrol craft. Sources say, however, that the vessels will not have the typical speed or weaponry of warships, whether corvettes or frigates.

According to a Royal Australian Navy spokesman, each patrol ship can carry a helicopter, and each Australian ship, at least, will be equipped with high-technology surveillance sensors. Also, better weapons can be easily added to the Australian vessels.

The ships, which will cost \$80 million (112 billion rupiah) each, are to be built in their respective countries (Australia and Malaysia), but some components will be produced in other countries. Electronics, such as radar, will be bought from the United States or Europe.

Malaysian Minister of Defense Najib Razak acknowledged last month that the joint production model proposed by Australia is unique. The dividing of ship design and construction between them will reduce construction expenses, while large-scale purchases of radar and machinery from third countries will further lessen costs.

Australian Navy sources admit that although the 200-ton Fremantle-class ships were intended only for patrol duties during the 1980's, they are still being used. Their condition is not good enough, however, because they have been employed constantly in patrolling the very extensive Australian coastline. This compels Australia to have bigger patrol craft. Australia will need the new vessels beginning in 1997.

Malaysia now has two identical patrol ships. They are the Musytari and the Marikh, each with a displacement of 1,300 tons and a length of 75 meters. Each is equipped with a 100-mm gun and two 30-mm guns.

Technology Exports

The Australian consortium AMECON [Australian Marine Engineering Consolidated], which is building Anzac-class frigates from a German design, has set up an office in Kuala Lumpur to facilitate submission of its tender to the Malaysian Government and officials of the Malaysian Navy. The vessels being offered to Malaysia are Australian-designed coastal patrol ships that are ideal for pursuing pirates, fish thieves, and "boat people."

Although 36 international shipyards are competing for the contract with Malaysia, Australia is seen as the one

with the best offer, since Australia offers suitable prices and full participation to Malaysian industry.

The offer to Malaysia is one of Australia's plans for expanding exports of defense technology, particularly to neighboring countries in Asia, in line with the strategy of regional defense cooperation.

Canberra is also talking with five Asian countries—Malaysia, Indonesia, Singapore, Thailand, and South Korea—about plans to build and supply high-technology submarines worth hundreds of millions of dollars. These five nations are important trade partners under Australia's big plan for building an Asian economic community.

France-Cambodia

Meanwhile, it was reported from Phnom Penh that on Tuesday, 6 July, France and Cambodia signed a cooperation agreement for improving Cambodia's armed forces. In his press conference, French Minister of Defense Francois Leotard said France has decided to stay in Cambodia to ensure the rebirth of a democratic Cambodian military force.

The agreement is oriented toward the assignment of dozens of French soldiers in Cambodia to help with the formation of a new military structure, to train new soldiers, and to form police units after the French model. According to official French sources, the best improvement for the Cambodian military would be demobilization. That would mean reducing the strength of the military to 50,000 from its current 100,000.

"French aid can help the Army and Air Force as much as it does the Navy," Leotard said. He added that French military personnel will leave behind a quantity of equipment when the 1,500 UN peacekeeping troops from France leave the country in the fall.

Air Force To Form Combat Helicopter Unit

93SE0228A Kuala Lumpur *BERITA HARIAN*
in Malay 7 Jul 93 p 5

[Text] Kuala Lumpur, 6 Jul—The Royal Malaysian Air Force (TUDM), proposes to form a combat helicopter unit, in accordance with its development plan, said Air Force Commander Lieutenant General Datuk Abdul Ghani Tan Sri Abdul Aziz.

He said the number of helicopters needed has not been determined, but the number is expected to be small.

"The unit is not expected to be big, but its members will have high levels of skills in the use of combat helicopters," he said.

He said this today at the Ministry of Defense after pinning insignia of rank on seven officers promoted from major to lieutenant colonel.

They were Mohamed Hatta Mahmud, Mohamed Hisham Yahya, Badaruddin Abdul Manan, Kaharuddin Mohamed Radzi, Mustak Ahmad Miandad, Basir Abdul Rahman, and Ali Karwi.

Abdul Ghani said the Nuri and Alouette helicopters owned by the TUDM can be equipped with weapons but cannot be made into combat helicopters.

Helicopters equipped with weapons are suitable for combating internal threats but not for open warfare, he said.

In reply to a question, he said expenditures for maintaining Northrop F-5E fighters and A-4 Skyhawk bombers are to be studied to make the funds more effective.

He said the TUDM needs to make a more careful study of this matter, because maintenance for keeping the two types of aircraft in use requires large allocations.

"How much funding is needed is not yet known, however.

"The two types of aircraft are needed for a certain period; but if they are not economical, we need more aircraft to enable pilots to enhance their capabilities," he said.

Abdul Ghani said pilots who fly Aermacchi planes cannot immediately fly MiG's. The piloting of F-5E's and A-4's, however, can be good preparation in that direction.

He said, however, that Hawks, which are classified as high-technology planes, will be the main avionic foundation for flying MiG's.

In this connection, the government does not want to allocate too much money for F-5E's and Skyhawks, because their capabilities are limited and such action would not be profitable, he said.

Abdul Ghani said the plan for developing the TUDM is being implemented comprehensively, including enhancement of aircraft, air transport, and parachute training.

"Owning helicopters is also important, especially in case of war. Because we do not have large forces for improving this capability, techniques for flying helicopters are very important," he said.

He said C-130 Hercules aircraft will continue to be used to support United Nations missions by transporting personnel and equipment to Somalia and Cambodia.

Defense Minister Discloses 'Heavy' Defense Spending
93P30069A

[Editorial Report] The 12 July Kuala Lumpur UTUSAN MALAYSIA in Malay on page 7 quoted Malaysian Defense Minister Najib Razak as saying that Malaysia will spend "heavily" on defense over the next 10 to 15 years because the security issue in Asia after the end of the cold war is "fluid and unpredictable." Najib disclosed that, besides advanced jet

fighters, weapons, and missiles, procurement plans will include 27 large, modern offshore patrol boats, and possibly submarines. According to some military observers, this could spark an arms race in Asia, where Russia is lobbying to further penetrate the traditionally pro-western arms market; however, Najib stated that by developing a deterrent force, Malaysia hopes to be able to respond when conflict arises. Najib added that Malaysia is only building a "modest fighting capability," starting from a "very low base."

POLITICAL

Disappearance of Labor Leader Thanong Probed*93SE0213A Bangkok KHAO PHISET in Thai
2-8 Jul 93 pp 11-14*

[Excerpts] In talking about Thanong Phothi-an, it is not KHAO PHISET's intention to blame anyone or again cause splits within society. But in view of the fact that a man who played a leading social and economic role disappeared more than two years ago at a time when "dark clouds" covered Thailand's political sky, Thai society needs to "have an answer" concerning him before we have to "search for Thanong" for the third, fourth, and fifth years and beyond.

As for those who were close to him and knew him, we believe that they think that he is dead. KHAO PHISET has followed the recent search for Thanong by his family, police officials, and even military units. From all the clues that have been found, we can conclude that the time has come to "close the case." That means that Thanong Phothi-an is definitely dead. He was probably dead within a few days of his disappearance. He was probably killed for political "reasons" at that time. Those who are still searching for him today believe that, too. The only thing is that they want a clear answer, and they want to find those responsible and take action against them. [passage omitted]

Because of both domestic and foreign pressure, various teams have been formed to investigate the disappearance of Thanong. This includes the investigation team of the Ratsadonburana Police Station, which has jurisdiction in the area where Thanong's car was found, the Special Branch Police team, the Bangkok team, the military intelligence team, and the interior ministry committee headed by Ari Wong-araya, the deputy under secretary of interior. And the person who is carrying on her own investigation without revealing anything to anyone is Ratchanibun Phothi-an, Thanong's wife.

Even though the body of Thanong Phothi-an had not been recovered so that the customary funeral rites could be performed, as Ratchanibun remarked to KHAO PHISET a year after his disappearance, she diligently searched for her husband on her own, but failed to make any progress in finding him. Now, two years after his disappearance, it's as if he disappeared into thin air.

A year after the disappearance of her husband, Ratchanibun revealed all the data available to reporters in Thailand. She told KHAO PHISET that "the last time that I saw my husband was on the morning of 19 June 1991 before he left the house to go to work at the Ratchawithi Hospital. When I last saw him, he was washing his car at home. "I first became concerned about him around 2300 hours that night after the tone on his cellular telephone, No 01-912-1515, went dead. The next morning, when the telephone rang, I knew right away that there would be "bad news," that is, his car had been found parked in an unusual manner. [passage omitted]

"This was definitely a political matter," said Ratchanibun. She also mentioned the names of those close to him and those thought to be "links" in what happened. One of those close to Thanong, Manit Roengchak, a member of the Employees Organization of the Labor Council of Thailand, mentioned the nicknames of those close to him: Thawin, Kan, Anan, and Oi. After Thanong disappeared, one of those men suddenly acquired a car, a second could be seen wearing a lot of gold, and a third became unusually wealthy before he was struck and killed by a truck in unusual circumstances. In the end, all four of these men disappeared under suspicious circumstances.

Ratchanibun said that these four men took Thanong to the Bang Mot area. After that, two mysterious men took over. One of the men, who was tall and thin, asked Thanong to get into a car with bogus license plates. The car had dark tinted glass and two large spotlights in the front. When Thanong refused to get in, the other man, a large man with dark skin, took out a gun and forced Thanong to get in. They turned onto Wat Yairam Lane in the Bang Mot area and took him to a house that was surrounded by a fence. They then had someone drive Thanong's car and leave it in front of the union building. After that, there were many rumors. One was that Thanong was being detained at the house of a minister whom Thanong had once supported. [passage omitted]

Ratchanibun believed from the very first that her husband was dead, because if he were still alive, he would have contacted her. But he has never done so. Also, Thanong suffered from diabetes and had to take two insulin shots every day, that is, one in the morning and one in the evening. If those who kidnaped him failed to give him his medicine for just a week, he would have died from that. They would not have needed to shoot him.

The new head of the Employees Council of the Labor Council of Thailand who replaced Thanong, Manat Niyomsapmani, does not seem very sincere about wanting to find Thanong. But perhaps as he has said, he believes that Thanong is dead and would like to take action on this, but soldiers and police have been monitoring his every move since he replaced Thanong. However, the labor seat in the Senate, to which Thanong was appointed by the National Peacekeeping Council at that time, is now occupied by Manat.

Two of the people who are actively trying to find Thanong are Manit Roengchak, a member of the board of the Employees Council of the Labor Council of Thailand, and Prasan Bunchaloertsak, the deputy head of the Employees Council. These two men have met with both military and police investigation units, which have connections throughout the country. But they have always returned empty-handed. Manit said that after he began searching for Thanong, a secret government unit told him that he could find Thanong in the Sakaeo area in Lopburi. But when he went there, all he saw were two

cars, with tinted glass, driving back and forth, even though he had abided by the agreement and gone there alone. [passage omitted]

All of those involved with Thanong, including his wife, doctor, and subordinates in the River Transport Union, were questioned. It was learned that Thanong suffered from diabetes. If he did not take his medicine for just 1-2 weeks, he could go into a coma. And if he was not treated immediately, he could die. His wife said that she last saw him around 0700 hours on 19 June before he went to work. He was washing his car. Some people have said that Thanong had mentioned that he was being followed by strangers. And he said that if anything ever happened to him, they should look for a note in his desk. But the police were never able to find that note. Friends and subordinates have said the same thing, that is, he had mentioned being followed by a pickup truck and a motorcycle driven by men wearing black masks. And someone climbed up the wall of Wat Prasoet and, using binoculars, watched him while he worked on the second floor of the union. Besides that, Thanong also said that friends used to ride with him but that no one wanted to ride with him any longer. Normally, Thanong drove himself and did not have a bodyguard or driver.

The chief inspector at the Ratsadonburana Police Station said that his superiors had ordered him to find out the "truth" and so he ordered his men to investigate this case. But he admitted that he doesn't know what actually happened. The investigator for investigation told KHAO PHISSET that the investigation has not turned up anything new. In effect, the investigation has come to a dead end. "It's very unlikely that we will ever know what actually happened. The investigation is drifting, because we don't have any evidence. That's because no one saw what actually happened. No one can confirm anything or provide us with any evidence. There have been only rumors," said the inspector for investigation. It's unlikely that any more progress will be made, because it can be said that those concerned have all been questioned. There is "total darkness" because of the lack of evidence.

As for the police, except for the police team from the Ratsadonburana Police Station, the Special Branch Division has stopped investigating this case and turned the matter over to the metropolitan police. Police Major General Sophon Warachanon, the deputy commissioner of the metropolitan police, is in charge. Police Lieutenant General Chumphon Atthasat, the assistant director-general of the Police Department for suppression, is overseeing things. Police Lt. Gen Chumphon talked with KHAO PHISSET about the lack of progress. He said that "the metropolitan police have questioned all known witnesses. Other evidence must be investigated, such as personal property, because to date, the only property recovered is his cellular telephone. We have been told that he had stopped using that. We have questioned people at length, including his relatives and wife. If we come across any more clues, we will investigate them.

But the testimony and evidence that we have at present is not enough to take action against anyone."

Police Lt. Gen. Chumphon added that "investigators have done everything possible to find out what actually happened. We don't know whether he is dead or not. Mr. Thanong is still listed as a missing person. Our feeling is that someone killed him, but we cannot prove who did it. If you ask a doctor if Mr. Thanong is dead or alive, he will say that, in view of Mr. Thanong's medical condition, if he hasn't been given his medicine, then he is probably dead. But from the standpoint of the law, no lawyer will dare give you a clear answer. It is well known that Mr. Thanong had many friends who are labor leaders abroad. If lawyers say that he is dead, they will also have to answer the question of why he was killed and who killed him. The police still don't know where he was kidnapped. But the investigation will continue, because the statute of limitations is 20 years." [passage omitted]

It can't be denied that the military is viewed as having been involved in the disappearance of Thanong. Thus, what steps has the military taken to clear up this matter? The only thing that Colonel Phalangkun Klahan, the army spokesman, told KHAO PHISSET was that "the army is prepared to cooperate fully if anyone wants to examine any evidence in military zones as long as things are coordinated officially."

At the same time, another officer who holds an important position in the military told KHAO PHISSET that it's difficult to talk about the Thanong issue. If people really want to find out who was involved, they will have to go back to that period.... "Actually, it depends on how bold the Ministry of Interior is, particularly the police, who are directly responsible. If they are bold enough, the matter can be settled. But will they have the courage to reveal who was involved, because that could affect several senior people?"

As for the suspicion that soldiers were involved, this officer said that "we know that people suspect that soldiers were involved. Everyone has the right to his own opinion. But we don't know what to do. We will probably just have to live with these rumors."

Many people probably view the Thanong issue as a rather insignificant and unimportant matter. That may be true as compared with prior events. But we do not feel that this matter should be left hanging as at present. This matter should be concluded for all the parties concerned, including the labor organization, the police, and the government. Based on what has been learned, it doesn't seem beneficial to continue the investigation, because Thanong is almost certainly dead. For political reasons that are well known, people told the government that they wanted the matter cleared up or assurances that Thanong was really dead. The only thing is that people want to know who did this and why. They have been told that a memorial will be built in his memory as a person who was of "value" to society. [passage omitted]

MILITARY

Army Civil Affairs Chief Discusses Politics, Economics

93SE0225A Bangkok KHAO PHISET in Thai
18-24 Jun 93 pp 23-31

["Exclusive interview" with Assistant Chief of Staff for Civil Affairs Lieutenant General Malakun Na Ayuthaya by Piyanat Worasiri and Uaiphon Taechutrakun on 11 June 1993, place not given]

[Excerpts] [Passage omitted] [Piyanat/Uaiphon] On 29 April, the king made an important statement on civil affairs activities. As someone who is directly responsible for such work, it is felt that you will take new action on this front. Thus, we would like to ask you about your views and policies and about what changes will be made in civil affairs activities so that this work is in accord with the present situation.

[Paeng] The first thing to note about the world situation is that the Cold War is now over. We do not face a clear danger of invasion. The communist world has collapsed. There is no danger of local fighting leading to a major war. There certainly won't be a world war. In view of the present world situation, are the present military forces necessary? They are necessary to provide economic bargaining power, to maintain peace along our borders, and to provide protection in the case of conflicts with neighboring countries. If we maintain a large force, that will harm the economy. We must have a suitable number of troops. And the military must help develop the country instead of just sitting by idly. As the constitution states, soldiers must play a role in national development. The military has the men, equipment, and capabilities to reach remote areas more easily than others. It has communications capabilities and a chain of command. The government can use the military in developing the country. This is civil affairs work. The military is providing help for the national development activities being carried on by the government in remote areas and for the royal projects. Those are civil affairs activities.

In the present period, what are the important things that will help free the people from poverty, improve their standard of living, and promote greater democracy? We feel that we must help promote democracy in the country with the king at the head. How can we help the government promote democracy? In the military units, we plan on holding seminars to help people understand what democracy is. [passage omitted]

[Piyanat/Uaiphon] In the past, do you think that there were any weaknesses in civil affairs work?

[Paeng] Probably. Because the things that we did were not really accepted by the people. In my view, one of the weaknesses was that we did not carry on public relations activities as well as we should have. Second, the things that were actually done did not achieve clear results. Even though we carried on public relations activities,

looking at the facts, the actual situation may have been different from what we thought. We are now developing on both fronts. In carrying on public relations, we are looking at the facts and taking real action in order to achieve concrete results. [passage omitted]

[Piyanat/Uaiphon] In talking about a perfect democracy, some people say that there will be full democracy only after there has been a real distribution of power. Do you agree with this?

[Paeng] You are asking about politics. (laughs) I think that distributing power is the right way. This will enable the decision-making process to be carried out from lower levels. Thus, in solving problems, matters will reach the people more quickly. Suppose, for example, that we give the provincial governor or district officer the power to make a decision on an important issue at that level. I think that the people at those levels will be able to handle the matter more quickly. They won't have to send the matter to higher levels or to the government for a decision, which would just delay a decision on the matter. Distributing power is certainly the correct thing to do.

[Piyanat/Uaiphon] We would like to ask your personal views on the issues of a distribution of power and the security of the state. That is, there have been disputes about the election of provincial governors. Some people have said that Thailand is an inseparable kingdom and that the election of provincial governors concerns [national] security.

[Paeng] This is just my personal view. I think that distributing power to the point of electing provincial governors must be considered very carefully. Both the advantages and disadvantages of this must be considered, because this will affect many things. Today, the provincial governors wear two hats. As for whether they should be elected or appointed, that will probably be determined in the future. But in any event, the people must have the right to choose their leaders. They must be the ones who choose the national and community leaders. If they have the right to choose and are responsible for their decisions, they will play a part in the decisions made by those they elected. There will be affection and involvement in the decisions made by administrators. We have an elected prime minister and so we are involved in his work. We have elected representatives. Yesterday, everyone was watching television (the no-confidence debate) and pondering the good points and bad points. I think that people will consider things carefully, because this is a very complex issue. There could be a division of the country. But I think that if people are educated and have a sense of loyalty and responsibility, their decisions will be good for the country. But they don't have to agree all the time.

[Piyanat/Uaiphon] In your view, which country provides a good model of a perfect democracy, England, the United States, or some other country?

[Paeng] I like to look at several countries. I look at the good points of several countries. Japan is a good democracy that should be studied. And England and New Zealand are countries that should be studied. They have many good points. In Singapore, the people are very orderly and obey the laws. No one dares litter the streets or spit in public. No one smokes in no-smoking areas. Singapore is very clean and orderly.

[Piyanat/Uaiphon] At the same time, what is the image of the armed forces in those countries?

[Paeng] Let's look and see if there are any differences. Today, in England, Singapore, and New Zealand, there aren't any differences. Their armed forces support the activities of the government in defending the country, readying forces to defend the country, and suppressing or monitoring disturbances. [passage omitted]

[Piyanat/Uaiphon] As a citizen and soldier, do you agree with the idea that the role of national development should be changed so that this does not destroy the environment, such as by reducing the construction of large dams, or that the path of national development should be changed in order to prevent too much emphasis from being placed on material aspects?

[Paeng] My person view is that we must do as much as possible to protect our natural environment. However, we must also consider national development and the survival of the people in the country. [passage omitted] Water must be stored for agriculture and for consumption so that there will be water available during periods of drought. We have to accept this fact. Thailand is different from other countries. Thus, we have to build dams for irrigation, agriculture, and hydroelectric power. But that need must be balanced against environmental losses. Saying that we shouldn't build any dams is, in my view, going to an extreme, just as building dams everywhere is. We must meet each other halfway. Who will make the decision? The government must gather the facts and determine what the energy needs will be in five to 10 years in various places. It must determine how this will affect the environment. It must weigh the advantages and disadvantages. Everyone will have their own opinions. If the majority agree, then a dam can be built. But if the majority disagree, it shouldn't be built. But the majority of the people must be provided with complete and accurate data. This is very important. And the data must be provided far in advance. You can't give people data today and say that construction is going to start tomorrow. That does not give people enough time to study the data. And this will not have the same effect on everyone. In nearby places, there will be floods, which will cause great problems for the people there. But villages located 500 km away won't be affected at all. [passage omitted]

[Piyanat/Uaiphon] Concerning human rights, many people are suspicious about the military's recent emphasis on human rights in view of suit filed against

newspapers in 60 provinces. What is your view, and have people's human rights been violated?

[Paeng] Concerning the newspapers, it could be viewed that way. People should look at this from the standpoint of the military. The military has not been treated fairly by certain elements of the mass media. That is something that has to be admitted. For example, several days ago in the south, it was reported that a lieutenant colonel stole a car and was arrested by the police. But that was not true at all. We asked the newspapers to correct the story. If they do, that will be the end of the matter. Also, some newspapers printed a story saying that the wife of a general stole a diamond. That was a major story. We telephoned the editor's office and told them that that story was false. They said that they had obtained the information from the deputy under secretary of interior. But when we contacted the deputy under secretary, he denied saying that. When we checked with reporters, they confirmed that the deputy under secretary had not said that. Instead, the type setter had made a mistake. Some newspapers print stories that are incorrect. In a democratic society, when something incorrect is printed in the newspaper, the injured party has the right to sue. The military is considering this point. That is, if we don't sue, we will not be acting in a democratic way. But saying that we intend to file suit in 60 provinces is a misunderstanding. It's like this. If a story in a newspaper affects me, I will sue. If it's true, you can countersue. It affects all soldiers once such stories have been published in the press. If this happens near the time of military conscription, people won't want to enter military service. And those who are already on active duty will become demoralized. If newspapers print such stories, commanders must take action. You asked if a suit will be filed. They have the right to file suit. Once a suit has been filed, it's up to the justice system to determine who is right and who is wrong. If the newspapers have the correct facts, they can go ahead and print the story. In a democratic society, if the military can't sue, it means that society really isn't democratic, right? Newspapers have the right to print stories. But if they write something damaging to me, I will call and ask them to correct the story. If they don't I will sue. I once sued a newspaper concerning a personal issue, and that newspaper is no longer in business. The editor apologized to me, saying that he had been given incorrect information. The writer apologized, too. The lawyer for the newspaper apologized, saying that the story was false. I said that that was enough for me, but the court decided that the newspaper was at fault. I did not ask for damages or demand that they print a retraction. I believe in human rights in view of the fact that the press has the right to make criticisms. You asked about the matter of the press publishing stories about the army radio station. I think that they have the right to be suspicious. That does not harm us.

[Piyanat/Uaiphon] Recently, Amnesty International charged that the Thai military has violated the human rights of refugees. Do you have anything to say about this?

[Paeng] I, too, read in the newspaper that Amnesty International... It probably had to do with the events that took place in May. The government is now looking at the data to determine how many people are missing and how many were killed. The government is now conducting an investigation. I think that this matter will be cleared up as a result of the investigations conducted by the Ministry of Defense and the government. But even after the facts have been laid out, we still won't know who was right and who was wrong. But Amnesty International will make charges. I am not sure on what grounds they will make charges. The army has never infringed on anyone's human rights, supported acts that would threaten people, or committed any human rights violations. If charges are made, it's up to Thais and foreigners to decide whether the charges are true. We have explained things openly and revealed everything. They charged that 42 people are missing. How many people do you think disappear every day? People disappear every day. Our population registration system is not perfect. People disappear in every country.

[Piyanat/Worasiri] In your view, did the actions taken in May violate people's human rights?

[Paeng] I think that we must wait for the results of the investigation. Frankly, I was in Chiang Mai. I tried to monitor things. I wanted to know what was happening. I can assure you that no one knows the full story, and that includes those who were directly involved in those events. We must wait for the results of the investigation. Then we will know who was right and who was wrong. Neither I, who was in Chiang Mai, nor others who were not involved can analyze that. But we would like an answer concerning what actually happened so that we can change what is wrong and praise what is right.

[Piyanat/Worasiri] Do you think that the policy, which places great emphasis on democracy, the environment, and human rights, conflicts with the character of soldiers in the past, such as the preference for a resolute leader such as Field Marshal Sarit Thanarat or General Suchinda Kraprayun? Do you think that this character or such views of soldiers will have to be changed?

[Paeng] I think that events are different in every period. How people solve the problems depends on the events. The situation in the country differs from period to period. I think that things are proceeding well now. There is no reason to change people's views, because people tend to agree. If we have to fight, if there is a war, we are prepared. We believe that our soldiers can do the job. But in peacetime, instead of sitting by idly, we can help the government and state organizations in developing things. The military supports this. The military is an apparatus for educating its soldiers. It is an apparatus that can reach people living in remote areas to help them understand and use their rights and carry out their duties in a democratic system in accord with the law. Otherwise, democracy won't last. That is one point. But the

military itself can't be democratic. We have to administer things within a disciplined military system. But everyone has democratic feelings.

[Piyanat/Worasiri] It has been stated that during the tenure of General Wimon Wongwanit, the military definitely won't stage a coup. After Gen. Wimon retires, could there be another coup, or has Thai society developed to the point where coups are a thing of the past?

[Paeng] The military will not stage a coup. I think that the military has constantly been developing. The country is making progress. Politicians are developing. The administration of the country is proceeding smoothly. Corruption is declining. People have a better understanding of democracy and of their responsibilities. Soldiers have a better understanding of their duties. Everything is better now. Now that things are better, it must be admitted that the military is better, too. Right? We are members of society, too.

I think that society has now gone beyond that point. I don't think that there is any soldier who is thinking about staging a coup. I don't think that anyone would do that. That is my view. I don't know how to assure you of that, but I believe that 100 percent, even if disturbances arise. Today, we have a constitution that states that if trouble arises in the country, the first people responsible for dealing with the matter are the police, who are subordinate to the Ministry of Interior. If disturbances beyond the control of the police arise, the prime minister, with the approval of the cabinet, can order the military to take action. But the prime minister must first present this to the cabinet for approval. Thus, there is now a tight apparatus.

[Piyanat/Worasiri] Some people say that the way to prevent a coup is to reduce the size of the military and have it focus on military activities or security work. They say that if the military becomes involved in other things besides military and security activities, it will become involved in politics to the point where there will inevitably be a coup. Do you agree with this?

[Paeng] No. That will even help keep the military out of politics. Soldiers understand democracy, and they understand their rights and duties in a democratic system. They understand that they are not to become involved or interfere in politics. No one is thinking of staging a coup. We have been providing training on human rights so that soldiers will understand that each person must respect the rights of other people. We have taught them what rights and freedoms people have, how the use of child labor is wrong, and what is wrong in society as a whole or in the society around them. We are trying to teach them what is wrong so that they will stay out of things. Because the more they know about their rights and duties, the more they will realize that they don't have the right to interfere in politics. The only political right they have is the right to vote. We interfered during a period when we did not really know what our duties were.

[Piyanat/Worasiri] Even though the recent statements issued by the military seem to be very "modern" and present a new image, rumors have been circulating among officers to the effect that even though things have been modernized, the old methods are still being used. That is, new lines have been created. Some people have said that this is the era of "foreign-educated students." What is your view on this?

[Paeng] That is not the case at all. The recent press conference was the army's six-month press conference. I am the assistant chief of staff for civil affairs. I am responsible for handling things in accord with the stipulations. We have to consider what the people are interested in and what the people need to know. This includes intelligence issues, operations issues, and civil affairs issues. We invited the director of the Civil Affairs Department, Major General Loetrat (Rattanawanit) to make a statement. We also asked the director of the Intelligence Department, Major General Thirawat Patmanon, and the director of the Department of Operations, Major General Chokchai Hongthong, to make statements. All three of these men issued statements. We asked five men to be ready to answer questions. That included the three officers mentioned above, Major General Chaturut Phromsakha Na Sakonnakhon, who answered general questions not related to operations, intelligence, or civil affairs, and Colonel Phalangkun (Klahan), the army spokesman, who fielded questions concerning the release of information. At a press conference, suppose that two people raise their hands. Who will choose? Phalangkun is the one who will make the decision and give the go ahead to the man in the red shirt or to the man wearing a jacket. That is our set up. I do not view or think of them as foreign-educated students. This is done by the people who hold the positions. I don't go and get people from Thammasat University or from the army Department of Intelligence who speak English fluently. That's not the case. They are people who hold positions in various units. Thus, you can't view this as that type of an era. That day, we spent a rather long time. That day, we had to issue statements in both Thai and English. That was necessary, because as you know, the military's image had been tarnished, and not just in Thailand. Following the events of May, in Thailand things were in a state of confusion. There was much confusion about the role played by the military. The newspapers were interested. Many reporters were interested. But at the same time, many other countries were criticizing us. And their view of us was unfair. Thus, we decided that we needed to give foreign reporters a chance to ask questions, too. We wanted an opportunity to explain things to them directly. It's not that we attach greater importance to foreign reporters than to reporters here. But we felt that because the stories in the foreign press were inaccurate, we should give them a chance to question us. Thus, that day both the Thai and English languages were used. We had never done that before. Based on the questions and the results, I think that the results were positive. The foreign reporters had many questions that they wanted to ask. But they couldn't ask

all of them or didn't have a chance to ask them, and some of our responses were not clear. I appeared on television Channel 5 this morning, but the program was in the Thai language. I repeated some of the things stated previously, but there are some things that are probably still not clear. Foreign reporters chatted with the army commander-in-chief while having lunch, and they probably learned a lot. [passage omitted]

Fiscal Year 1994 Defense Budget Analyzed

93SE0221A Bangkok LAK THAI in Thai
3-9 Jul 93 pp 19, 20

[Excerpt] [Passage omitted] The Defense Ministry budget for fiscal year 1993 was divided as follows: Office of the Under Secretary of State, 1,044,237,000 baht; Supreme Command, 7,584,447,700 baht; Army, 17,700,397,800 baht; Navy, 16,013,529,000 baht; and Air Force, 15,682,730,600 baht.

The budget for fiscal 1994 is: Office of the Under Secretary of Defense, 1,810,401,000 baht; Supreme Command, 8,287,005,400 baht; Army, 40,572,630,400 baht; and Navy, 17,626,064,000 baht.

As for general administration to maintain the position of the forces, 1993 funds were allotted as follows: Office of the Under Secretary, 544,386,600 baht; Supreme Command, 2,467,049,900 baht; Army, 25,218,451,300 baht; Navy, 7,443,991,000 baht; and Air Force, 9,652,563,700 baht.

For 1994, the amounts allotted are: Office of the Under Secretary, 622,041,300 baht; Supreme Command, 2,549,826,500 baht; Army, 26,199,430,800 baht; Navy, 7,838,936,000 baht; and Air Force, 7,443,293,200 baht.

For military research and development, in 1993, the budget was: Office of the Under Secretary, 87,222,700 baht; Supreme Command, 500,000 baht; Army, 10,017,300 baht; Navy, 1 million baht; and Air Force, 3 million baht.

For 1994, the amounts allotted are: Office of the Under Secretary, 107,325,700 baht; Supreme Command, 500,000 baht; Army, 21,266,200 baht; Navy, 1,102,000 baht; and Air Force, 3.3 million baht.

For national defense planning and national defense work, in 1993, the budget was: Office of the Under Secretary, 173,149,300 baht; Supreme Command, 4,208,847,900 baht; Army, 9,536,766,300 baht; Navy, 8,049,102,000 baht; and Air Force, 5,816,614,500 baht.

For 1994, the amounts allotted are: Office of the Under Secretary, 162,054,500 baht; Supreme Command, 4,581,872,100 baht; Army, 10,891,204,000 baht; Navy, 8,798,232,000 baht; and Air Force, 9,352,650,900 baht;

For secret activities, or the secret budget, in 1993, the budget was: Office of the Under Secretary, 17 million

baht; Supreme Command, 200,000 baht; Army, 397,868,000 baht; Navy, 86 million baht; and Air Force, 25 million baht.

For 1994, the amounts allotted are exactly the same as before for all units.

The bulk of the remaining budget funds will be spent on construction, particularly the construction of housing and hospitals.

The allocation of the budget funds shows that the plan to reduce the number of servicemen in order to increase military might has not yet been implemented. The fiscal 1994 budget for each of the units is about the same as it was in 1993. As for the secret budget funds, it can be seen that this administration has not given in to the military.

General Wichit Sukmak, the minister of defense, revealed that with respect to the secret budget, the government authorized only 65 percent of the amount requested by the military. Thus, if anyone criticizes the Chuan Likphai administration for giving in to the military, there are grounds for disputing that.

Successors to CRMA Class 5 Discussed

93SE0221B Bangkok LAK THAI in Thai
12-18 Jun 93 pp 19, 20

[Excerpt] [Passage omitted] It can be seen that CRMA [Chulachomklao Royal Military Academy] Class 6 has a chance of turning the situation around and gaining power at headquarters and in the army regions. More and more members of this class are beginning to advance. One of the leading members of this class is General Pramon Phalasin, the army chief of staff, whom Class 6 hopes will rise to become army commander-in-chief after General Wimon and General San retire.

Looked at superficially, Gen. Pramon seems to be the only one to have risen to a high rank. But if you look at things more closely, you can see that other members of CRMA Class 6 have advanced, too. Examples are Lieutenant General Wochira Suriyakun Na Ayuthaya, the deputy army chief of staff, Lieutenant General Chaiwit Simat, the assistant army chief of staff, and Lieutenant General Somphong Phimphan, the assistant chief of staff for intelligence. All three of these lieutenant generals, who hold important positions and who are in line for promotion to full general, are members of CRMA Class 6.

What is important today is that the person who controls the army "purse strings," which is considered to be one of the "main arteries," is Lieutenant General Sakan Sathityutthakan, the army controller, who is a member of CRMA Class 6. This position is even more important than the position of army region commander, because army expenditures are handled by this unit.

As for command positions at the level of lieutenant general, or army region commander, Lieutenant General Yingyot Chotiphimai is the commander of the 3d Army

Region. Lieutenant General Yutthaphan Mokaramani, whom most people think is a member of CRMA Class 5, but who is actually a member of Class 6, is the chief of the Territorial Defense Corps. Also, Lieutenant General Suwit Chaiprapha is the commander of the 3d Corps and is ready to move up to the position of army region commander.

Even though CRMA Class 6 does not give the appearance of being closely united, if you look closer, you can see that members of this class meet frequently. Lieutenant General Bunloet Phonlathan, the director of joint logistics, Supreme Command, who can be thought of as the class leader, is the person who frequently arranges meetings. [passage omitted]

ECONOMIC

Impact of Drug Patent Changes on Industry

93SE0214A Bangkok MATICHON in Thai
6 Jun 93 pp 10, 14

[Article by Songkhramchai Lilongdi]

[Excerpts] 1. Introduction

The Patent Act of 1992 (second version) went into full force in accord with the law on 30 September 1992. In effect, that meant that the conflict between Thailand and the United States over revising the patent law to protect drug patents came to an end. There had been arguments between those concerned for more than eight years, that is, since 1985. But the end of the argument concerning protecting patents does not mean that all the problems have been solved, because new problems will undoubtedly arise as a result of recognizing these drug patents. And an important question is, Is our great ally, the United States, satisfied with the fact that in protecting intellectual property, only the issue of drug patents has been addressed? This is something that needs to be watched. [passage omitted]

The patent issue is not simply a legal issue. It is also a scientific and technical, economic, and political issue. And it also concerns the way of life of the people, because intelligence is a personal property, and the way of life of people in society will necessarily change greatly. [passage omitted]

2. Thailand's Protection of Intellectual Property [passage omitted]

As for patents in accord with the 1979 law, we were obligated to provide equal protection in all respects. But what the United States wanted was for us to revise the law to include drugs, food, soft drinks, agricultural machinery, and animals and crops, or biological processes in producing animals or crops, which was not covered in the treaty. People in Thailand opposed this, because we were not ready to develop these things on our own. If a law were promulgated, only foreigners would benefit. We would not have a chance to invent things on

our own or bring in and modify their technology. When Thailand balked at this, they threatened to impose retaliatory trade laws and exerted pressure until Thailand finally had to agree.

3. Drug Patents: The Need To Provide Protection

As for patents, particularly drug patents, the Patent Act of 1979 did not provide any protection, which is clearly expressed in Article 9:

"Article 9: Patents cannot be obtained for the following items:

"(1) Food, soft drinks, or drugs or drug compounds."

In 1992, during the period that Mr. Anan Panyarachun served as prime minister, or during the Anan I administration, after long argument, the National Legislative Council passed the Patent Act of 1992 (second version), which afforded protection to food, soft drinks, drugs and drug compounds, agricultural machinery, and animals and crops or biological processes in producing animals and crops. This act was announced in the government gazette on 3 April 1992. There were two main reasons for revising the Patent Act of 1979:

1. There was pressure from the United States, which announced that Thailand was one of the priority foreign countries. [passage omitted]

2. Thailand thought that once it revised its patent law, the United States would stop causing trouble and stop making threats. And it thought that Thailand's name would be removed from the list of priority foreign countries and that it would not be subject to trade retaliation.

Thus, drug patents can now be registered, and the interests of the inventors are now fully protected based on the patent law.

Thus, Thailand had to revise the patent law to include drug patents because of the pressure applied by the United States, which had threatened to impose retaliatory trade measures, or cut the Generalized System of Preferences, or GSP.

Looking at things from Thailand's ethical position, Thais feel that drugs are one of the four factors necessary for human life. One Thai proverb says: "Ask for drugs and a doctor." And many local remedies are called "spirit drugs," which indicates that the owners of the drug formulas are not trying to profit from their drugs. Thus, the idea that drugs are a product that have to be protected by the patent system is at odds with the basic ethical principles of Thai society, which hold that drugs should belong to society as a whole and not to a particular individual. Thai law saw the necessity of this and so it excluded granting patents to drug products, which would benefit certain people only. [passage omitted]

Looking at the actual situation, the pharmaceutical industry in Thailand is not very advanced, and the

budget for promoting drug research is limited. Recognizing drug patents will definitely affect Thailand, the drug industry, and the government. In particular, recognizing drug patents will lead to a monopoly on drugs and cause drug prices to rise. This will affect many things, which will be discussed below.

4. The Condition of the Drug Industry in Thailand [passage omitted]

Data obtained in 1989 show that there are now a total of 189 drug manufacturing plants. Of these, 25 are engaged in joint ventures with other countries. The remaining 164 plants are Thai plants.

The drug industry in Thailand can be divided into two types:

1. Industries that produce raw materials for drugs: This includes those industries that produce raw drug materials and materials used in producing drugs such as flour, sugar, materials used to coat the tablets, and so on. This type of industry requires much technology and operating capital, particularly in producing drugs that are important in Thailand. Thus, there are few such plants in Thailand, and those in operation here have low production capacity.

2. Industries that produce finished drugs: This refers to those industries that take raw materials and produce finished drugs such as medicines in tablet and liquid form. In Thailand, almost all drug production industries are of this type for reasons having to do with technical knowledge, capital, and marketing. Thus, drug manufacturing in Thailand must rely heavily—95 percent—on raw materials from abroad for use in producing finished drugs.

Data from 1988 show that a total of 25,116 drugs were registered with the Food and Drug Administration. Of these, 23,116 (91.87 percent) were drugs whose patents had expired, and 2,043 (8.12 percent) were drugs whose patents were still in effect. Of the patented drugs, 768 (3.94 percent) were imported by multinational companies, 262 (1.04 percent) were produced by multinational companies at 20 plants, and 1,015 (4.04 percent) were produced at 111 Thai plants.

During the period 1968-1988, the 2,043 patented formulas that were registered in Thailand contained 153 drugs. Reports on the value of production were sent to the Food and Drug Administration for 140 of these drugs (no reports were sent for 13 items). Of the 140 for which reports were filed, 43 (30.7 percent) were produced by Thai companies, and 97 (69.3 percent) were produced or imported by multinational companies.

The 43 items that were produced by Thai plants were drugs that had been patented by eight countries: 12 American companies (16 items), three English companies (five items), three German companies (three items),

two Japanese companies (three items), two French companies (two items), one Belgian company (eight items), one Swedish company (three items), and one Swiss company (three items).

A study conducted by Anatchai Rattakun in 1989 found:

1. The 111 Thai plants that manufactured patented drugs accounted for 24.36 percent of the value of all patented drugs.
2. Most of the patented drugs of the companies holding the patent, 47.13 percent, were imported from abroad and were not produced in Thailand.
3. The drug prices of the companies owning the patents were higher than those of the Thai plants with GMP (good manufacturing products), with prices being higher by anywhere from 7 to 91.8 percent (tinidazole and albendazole respectively).
4. Once drug patents have been recognized, the value of the drugs will increase 94.32 percent of the value of patented drugs and 10.9 percent of the value of all drugs.
5. Once prices have been increased because of tying prices to wholesale prices in the United States, the value of drugs will increase 507 percent of the value of patented drugs and 58.57 percent of the value of all drugs.
6. In 1988 the value of drug production and drug imports was 10,050 million baht a year. Considering the increased value of all drugs, if the percentage for patented drugs is 58.57 percent, the value of drug production and drug imports will rise to 15,937 million baht, an increase of 5,887 million baht.

Based on these data, it is clear what the losses will be if drug patents are recognized. And it is quite clear how this will affect consumers, that is, the people, our domestic drug industry, and Thailand's economic system. These consequences, which are unavoidable, will be discussed below.

5. Drug Patents and the Effect on Society

In discussing the effects of recognizing drug patents, we will discuss three important issues:

- 1) The effects on consumers.
- 2) The effects on the domestic drug industry.
- 3) The effects on Thailand's economic system.

5.1. The effects on consumers:

As is well known, once drug patents have been recognized, drug prices will certainly increase. This is because the holder of the patent will have a monopoly on production. The price of some drugs, which are already very expensive here because of being patented abroad, will remain high because domestic drug companies will

not be able to produce these drugs in competition. And foreign-produced drugs will not be able to compete with patented drugs.

If domestic drug producers purchase production patents, they will have to pay a high price. And obtaining such rights is difficult, because the drug companies that hold the patents usually establish final processing plants in Thailand and distribute the products themselves. This is more profitable for them. The drug market in Thailand in the future will tend to become more of a monopoly. In the past, monopolies could be smashed because consumers had a choice. But once patents go into effect, consumers will not have a choice as long as that protection remains in effect.

New drugs such as antibiotics, drugs that act on the nervous system, and anti-viral drugs, are in great demand by people, and people will be forced to pay a high price for them. And statistics show that Thais are already consuming large quantities of drugs. Thus, this will have a direct effect on people.

5.2. Effects on the domestic drug industry:

As mentioned above, for the most part, our domestic drug industry produces finished drugs and must rely primarily on chemicals or raw materials from abroad. Once drug patents have been recognized, it will not be possible for them to purchase raw materials or chemicals from abroad or from various companies, most of which will register their patents. In the end, they will lack the raw materials needed to produce drugs and will have to shut down operations.

Domestic plants already face stiff market competition. If they lack the raw materials necessary to produce the new drugs demanded by consumers, the small companies will not be able to continue operating.

As for the technology needed to discover new drugs, it must be admitted that Thailand is weak in this respect. We have not made as much progress on this front as we should have. Moreover, in terms of budget funds and knowledgeable and talented people, we are still not in a position to compete with other countries, which are more prepared than Thailand.

Thus, the domestic drug industry will certainly be affected by the patent system.

5.3. Effects on the country's economic system:

Based on the huge value of the drugs imported into Thailand every year and the yearly upward trend, once the patent system has gone into effect, drug imports will increase, because domestic plants will not be able to produce the drugs. Even if the domestic plants can produce the drugs, they will be branch plants that have been established by other countries to produce the final products in Thailand. As the value of consumption increases, tens of billions of baht will flow out of the country every year for this, and this will affect our international trade balance.

From this, it can be seen that recognizing patents means granting monopoly rights in discovering, using, and selling the discoveries to those individuals who discover new products. But when this is applied to drugs, which is an important factor in the lives of people, particularly in a country such as Thailand, which is not prepared with respect to technology and other factors, this will have a direct effect on all fronts. Thus, fully protecting intellectual property is suitable for countries that are fully developed on all fronts. But Thailand is being forced by a more powerful country to provide such protection. If Thailand develops its technology so that our technology is equal to that of the developed countries, we could solve the problems concerning protecting intellectual property ourselves without having to take action because of foreign pressure. Something that should be considered is whether the United States is satisfied with the changes that have been made in the law.

6. What Comes After Drug Patents?

Now that the 1979 Patent Act has been revised, will the United States stop its attacks? During the period of conflict before this law was revised, scholars and private development organizations that disagreed with revising the patent law told the government, in particular the Ministry of Commerce, that the problem is: "Even if Thailand revises the patent act, that is no guarantee that the United States will stop harassing Thailand."

That turned out to be true. Because not long after that, the United States announced that "Thailand is not protecting copyrights."

Reports of dissatisfaction on the part of the United States have appeared periodically. That is good pressure, which has forced the Ministry of Commerce to engage in constant trade negotiations with the United States. And things have happened just as many people predicted. On 30 April 1992, Thailand was placed on the PFC [priority foreign country] list for a second year along with India and Taiwan. The United States claimed that Thailand had had problems implementing the law protecting copyrights, with the result that American industries, such as the movie, recording, and computer software industries, had suffered losses.

The United States has started using the same old measures, that is, it has made threats and demanded that Thailand take steps to improve the protection afforded drug patents by repealing certain measures in the new patent law:

1. Compulsory licensing. [passage omitted]
2. The drug patent committee.
3. Increasing the period for monitoring the safety of drugs from 2 years to 10 years.

Unless this is done, the United States has threatened to implement retaliatory trade measures. Specifically, it is prepared to do three things:

1. The United States may cut all GSP rights to Thailand.
2. It may cut certain GSP rights.
3. It may implement retaliatory trade measures (trade protectionist measures such as setting up tariff barriers).

As for monitoring safety in drug use, that is, the system of protecting drug patents, in the past before the drug patent law was enacted, drug producers were well aware of the fact that monitoring safety in drug use was an indirect way of granting drug patents.

If the period for monitoring safety is extended, it's very likely that people will develop brand loyalty. This does not include promoting sales in various forms. People in the medical profession who are involved in this know that monitoring drug safety leads to drug monopolies. If the period is long enough, people know in a moment which company produces this medicine.

Even though the monitoring of drug safety is carried on within a limited circle, including various medical schools, these institutions are important institutions that serve as models. A study conducted in 1988 by Wimon Anansakunwat, for example, found that "most doctors feel that in prescribing drugs, doctors tend to imitate professors of medicine."

If we agree to extend the period for monitoring drug safety from two years to 10 years, that is tantamount to providing 10 years of protection to drug products retroactively as the United States once demanded. [passage omitted]

7. Conclusion: Comments and Suggestions

Considering everything that has been said, it can be seen what effects patents will have on the interests of the country. This will have a direct effect on consumers, drug producers, and our country's economy. The country will have to spend huge amounts of money each year to purchase drugs for domestic consumption. And the fact is, the amount being spent now is already very high.

Past lessons have taught us that attaching importance to American pressure will just hurt Thailand, and there is no telling how many times the law will have to be revised in order to satisfy the United States.

Studies have shown that a good patent system is one that is in accord with the economic and technological development of the country. And it must recognize the needs and be suited to the country.

The world is composed of fully developed countries, newly industrialized countries, developing countries, and underdeveloped countries. The protection afforded

intellectual property should be different for the various groups. The developing countries and the newly industrialized countries do not have high technology and must buy much technology. The patent system should not be too strict. That will promote further development.

To relieve the pressure that the United States is putting on Thailand, we must attach importance to multilateral trade negotiations instead of bilateral negotiations. Another way out is to look for a variety of marketing methods. The following are several things that can be done to help solve the drug patent problem:

1. We can stop using "trade names" and "trademarks" and use generic names instead. That way, consumers will get to know the generic names of the drugs so that they do not develop brand loyalty. That will help reduce monopolies with respect to drug prices.

2. A "drug price policy" should be announced. Drug prices have increased greatly, and this has resulted in the state experiencing problems concerning its drug budget. In particular, the various health insurance systems will be greatly affected unless drug prices are brought under control. Stipulating drug prices by putting a ceiling on profits will help stop the rise in drug prices. Such price increases are not fair, and in the end the government will experience budget problems. If a price policy is implemented and a clear drug pricing system is stipulated, that will help prevent the sale of more drugs than are actually needed.

3. The drug control mechanism must be improved and made more efficient. In the case of new drugs, strict measures that are in accord with the worldwide system should be implemented based on the principle of "drugs that are necessary to the country" so that we do not have more new drugs than are really necessary.

4. Investments should be made in production and in drug research and development, particularly drugs that have been granted special rights. In providing this support, the drugs must be produced in Thailand in order to reduce production costs and to help develop the technology of the domestic drug production plants.

5. Expenses in promoting the sale of drugs should be reduced in order to lower drug prices and to discourage the unnecessary use of drugs.

6. The government should do the following:

- 6.1. It should carry on public relations activities so that the people and various units are aware of and understand the problems that we now face and the solutions to those problems.

- 6.2. It should formulate a plan and take steps to develop the domestic drug industry so that it can compete with the foreign drug industry. This includes formulating a plan to develop personnel, waiving or lowering import duties on various types of machinery and raw materials,

and supporting research and development and making this more efficient for the benefit of our domestic industry. [passage omitted]

Uthai Discusses Trade With U.S., Policies

93SE0230A Bangkok THAI RAT in Thai 21 Jun 93 p 7

[Interview with Uthai Phimchaichon by THAI RAT Economic Desk]

[Excerpt] [Passage omitted] [THAI RAT] Many people consider that you are not qualified for your position.

[Uthai] Politics is important, and images are especially important. Some people may be skilled at something but not able to administer. Some people may not be dishonest now but, having been dishonest in the past, they do not have positions now. Some people do not have the image of merchants and so even though they can trade well, no one will believe it. One must understand this first.

There are two impressions of me. The first is that of a legal expert. Many people say that Uthai will not make it and so why is he confident. I say that I am very confident and not inept at all. I am confident because I am a politician from the countryside. I know the problems of crops. I have been to market enough to have the spirit of a merchant, and trading in agricultural commodities is in my blood. I have grasped the issues of the Ministry of Commerce since I was in the opposition.

But the arena for commerce is no longer at the level of the merchants as it was in the past. The obstruction and the competition are greater. There are international regulations which are legal matters. Legal experts have a greater role. Many countries with trade problems have brought in legal experts to deal with them. For example Mickey Kantor, the head of the office of the U.S. Trade Representative (USTR), is a lawyer. In the future we will not be able to stick to our old ways.

I say that making a merchant minister of commerce would be objectionable. I use the word objectionable because as a merchant he would have his own group and how could we guarantee that the regulations issued would not benefit his group.

Those who are not aligned with groups of merchants and who have no interests are the best suited to run the trading system. I am willing to do this because I belong to no group. I am able to oppose anyone. Someone is bound to get hurt—I believe this is normal under the rules of trade competition. The fact that I have no interest in any commercial group makes me willing because I know that I will not be involved in anything.

The second impression might be called an image. Before I arrived, trade in all agricultural commodities had really slumped. Rice has been in a slump since the time of Prime Minister Chatchai. At that time the government purchased rice and stockpiled it, but did not sell it. They had to sell it back to countless exporters, and there was still some in storage. During Mr. Amaret's time more than 500,000 tons of unhusked rice was purchased for the rice-drying project, as was 15 percent of the husked rice. And 25 percent, another 200,000 tons, could not be

handled and was stored. I arrived to take on both the past and the present. [passage omitted]

[THAI RAT] What do you think of the many times that the prime minister has given orders himself without any consideration to you?

[Uthai] I think you have misunderstood the situation. The prime minister used to be in the Ministry of Commerce and knows the scope of the work well. How many people would know that the Ministry of Commerce is responsible for intervening just in the case of husked rice? He therefore ordered other units to help with unhusked rice.

The prime minister accepts and understands me. He is very supportive. Because the correspondents have beset me, the opposition representatives have beset me. Whenever the prime minister meets me he says that Uthai must be firm and that he understands that Uthai is doing very well. If I were like what others perceive, the prime minister would have abandoned me already.

With regard to the prime minister's ordering an inspection of the rice stocks of the Department of Foreign Trade, I had already ordered this -I had ordered the undersecretary to do this already because it was policy. I asked them to be strict. There were many rumors about the stocks being ruined. The Office of the prime minister inspected and found substandard rice. I had to set up a commission to investigate. I ordered the undersecretary to write a report which was strict and correct. He has been writing the report all day. I do not know whether it is ready or not. [passage omitted]

[THAI RAT] Do you not take your own side too much?

[Uthai] I do not know. I tell the truth. If it's true, it's true. If it's not true, it's bragging. Point out to me where I have been bragging. Everything has to be done. There can be no relaxing. Then everything will turn out well.

[THAI RAT] How much confidence does the government have in him?

[Uthai] As far as I have seen, it has confidence in him. There may be some who are not confident such as Deputy Prime Minister Bunchu Rotnasathian. He got in hot water before I did. But he does not know what changes to make. For example with rice—Thailand no longer sets the price. The country which sets the price is the country with low costs and good quality. It produces enough to supply the market. Those who say that Vietnam is behind us are mistaken. We know what the

problems are now and how to confront them. And we are developing a long-term project to mobilize our thinking and our agricultural and commercial warehouses.

We must help the farmers. We must make it possible for them to make a living. We must not forget that they make up most of the population. If most of the population cannot make a living, how will the country survive? The problem is that we must consider all sides; we must not abandon any group. It would be convenient to abandon some, but a government cannot do that. When I entered office we had to solve the problem of the last season - there was so much rice we could not wade through it. Now we are beginning to deal with the long term and are making plans. [passage omitted]

[THAI RAT] In summary you are confident then.

[Uthai] I am confident and proud while others may consider that I am a failure. It is not the duty of the government to to say that something is going well. If something is going well it is kept quiet, and if something is not going well, it is improved. I was prepared for the duties I have had for the past seven months; now I am even more prepared because I have seen more.

[THAI RAT] I understand that the head of the Social Action Party will be taking [your] place. Is this cabinet change necessary?

[Uthai] I should not answer, inasmuch as the prime minister is the head of the government. He has the absolute right to make this decision. I am a member of a small party, but I still insist that I am confident and proud of our administration. Every government official knows our position. If something is not clear, it is normally investigated. If something is wrong, there is a complete investigation, and the accounts are opened.

With regard to the head of the Social Action Party taking [my] place, he has denied it. As far as changing the cabinet, the prime minister has made a clear statement. Why are you asking me? This government has just gotten through a debate over a no-confidence motion. It has been completely cleansed during the past three days and three nights. This has been equivalent to acceptance by the National Assembly. Why not give those accepted by the assembly the opportunity to continue. This means that people should be asking whether the term of office should be four years or longer.

This has all been earnestly discussed. I am ready for these duties because I have been in office for seven months, and I have seen a great deal. I am fully prepared.

POLITICAL

Comments on Outlook for Vietnam-Cambodia Relations

932E0073A Hanoi QUAN HE QUOC TE
in Vietnamese May 93 pp 1, 6-8, 15

[Article by Nguyen Ngoc Truong: "Cambodia's May Elections: Facing an Uncertain Future"]

[Excerpts] [English summary provided by QUAN HE QUOC TE under the rubric "Highlights"] *Cambodia's May Election: Facing an Uncertain Future*, a comment by Nguyen Ngoc Truong (pp 6-8) analyses some basic aspects of the complicated situation in Cambodia prior to its General Election in May and the possible scenarios regarding Cambodia's future.

This important political campaign bears a great significance for Cambodia, depending on its positive or negative outcomes. Cambodia might stop its long civil war, restore national unity and rebuild its country, or sink deeper into civil war.

The major obstacle for the General Election, also a problem for the future of Cambodia is the non-cooperative attitude of the Khmer Rouge, a force which has so far shown its unwillingness to make political compromises. The election campaign has revealed the reality of a dismantled Cambodian society, which doesn't have a political orientation or a national dynamic.

The author provides some arguments based on an analysis of historical and external factor in responding to the question of when would Cambodians bid farewell to arms. Anyway, there are some reasons for cautious optimism. The key point to her future is to keep away from any external interference and let the Cambodian people decide their own internal affairs.

The last part of the article analyses the possible effects of Cambodia's uncertain situation on Vietnam. Vietnam must be patient in rebuilding a new kind of relationship with her neighbor. [end English summary] [passage omitted]

Toward a New Vietnam-Cambodia Relationship

Foreigners are showing interest in the way Vietnam deals with the current situation in Cambodia. At the same time, inevitably, a question is being posed: In what way would postelection instability in Cambodia affect Vietnam, and to what extent?

Owing partly to destiny, partly to the vicissitudes of history, in Cambodia there are sections of the population that have been aroused and have shown persistent hostility toward Vietnam. Similarly, in their history, they had felt hatred for their neighbors to the East as well as the West every time there was in their country the presence of these people, whom they regarded as those who had come to occupy their ancestors' land. The Thai have no qualms about recalling the story that the Angkor

temples had fallen into ruin after being attacked for several centuries by the Siamese army. But the Cambodians' historical complex and suspicions have not prevented contemporary Thai politicians from successfully implementing a Cambodia policy. As for Vietnam, Jacques Bekaert has written from Phnom Penh that he himself has met many Cambodians, including some of the Khmer Rouge faction, who want to maintain good-neighbor relations with Vietnam and acknowledge Vietnam as a "counterbalance" in their international relations, because they think that, willy-nilly, Cambodia and Vietnam are neighbors. Perhaps, as time goes by, clear-sightedness will prompt Vietnam and Cambodia as well as other nations in continental Southeast Asia to view their relations with each other in an objective and clearheaded manner and without misunderstandings, and to renovate these relations on the basis of a constructive and totally realistic new approach.

Since it pulled out its troops from Cambodia and contributed to the process of shaping the Paris Accord on Cambodia, Vietnam has not only resolved to scrupulously live up to its obligations to the agreement, but has also wanted to quickly establish peaceful, friendly, and cooperative relations with a Cambodia promoting national concord and reconciliation in the spirit of the Paris Accord. Past experiences as well as the interests of peace and Vietnam's security and development are the basis for Vietnam to take such a decision. During his visit to Vietnam, the UN secretary general had highly appreciated Vietnam's restraint, which he considered to be a "wise attitude." That behavior is a sign of maturity in international politics. Vietnam has risen above political emotions for the sake of national interests and major objectives.

No matter how the postelection situation in Cambodia will develop, Vietnam will definitely abide by the principle of considering the Cambodia issue to be first and foremost an issue of the Cambodian people, and will not get involved again, nor will it allow itself to be pushed into getting involved again. If the Cambodia issue persisted, first of all it would be an issue of the Cambodians and the entire world community. As an international solution is required, the Cambodia issue must be settled jointly by the international community. At the same time, it is in the interests of the Southeast Asian nations to prevent this issue from becoming a regional tinderbox again.

Looking toward the future, we are patiently building amicable Vietnam-Cambodia relations on the basis of the five principles of peaceful coexistence, establishing and consolidating mutual trust, realistic and mutually beneficial cooperation, and good-neighbor ties between the two countries. While applying ourselves to firmly defending the fatherland's security and borders and frustrating all attempts to carry the conflict into Vietnamese territory, we will also actively promote and strive for the realization of the objectives of ZOPFAN [Zone of Peace, Freedom, and Neutrality], thereby bringing about lasting peace and stability in the entire

Southeast Asia region to serve as a firm basis for Vietnam-Cambodia relations. To achieve this goal, it is absolutely essential for us to establish balanced, stable relations with the big countries that are closely associated with Cambodia.

In Vietnam-Cambodia relations, there still are some outstanding issues left behind by history. These are common realities in relations between nations, especially between neighboring countries. We hope that these issues will be resolved through discussions between the Vietnamese government and the new government chosen by the Cambodians in the May elections. We are convinced that solutions satisfactory to both sides will be found through negotiations conducted in a cooperative and constructive spirit and in conformity with the common trend in international relations in the new age.

MILITARY

Changes Proposed for Training Reserve Officers

932E0075A Hanoi TAP CHI QUOC PHONG TOAN
DAN in Vietnamese Jun 93 pp 31-35

[Article by Colonel Bui Nhat Man under the rubric "New Thinking on the National Defense Task - Issues and Solutions (Studies - Exchanges of Views)": "Renovating the Task of Training Reserve Officers"]

[Text] Over the past years, the task of training and improving reserve officers has been developed in all military regions, corps, armed branches and services, military academies and schools, and colleges throughout the country. Together with the officers transferred from active duty to the reserve service, large numbers of reserve officers, newly trained from those noncommissioned officers who were about to be discharged and from college students, have actively contributed to the organization of mobilization-ready reserve units in accordance with the requirements of the mobilization tasks of various localities and sectors. Many Bac Bo delta provinces and districts have acquired enough detachment-level reserve officers for assignment in mobilization-ready reserve units in conformity with the requirements that personnel should be assigned according to their military specialties and that the extent of the areas from which reservists are called up to serve in a unit should be reduced. In 1991, Hai Hau District (Nam Ha Province) organized a regiment that was fully provided with class-one reserve cadres of good quality, thereby fulfilling the requirements that a unit should be fully staffed, that extra personnel should be available for use as replacements, that sufficient officers of mandatory ranks should be appointed, and that all positions should be filled. In the regiment, 66.7 percent of its officers received assignments matching their military specialties; officers were appointed to leadership positions in a suitable ratio, their ages were appropriate, and so forth. At present, the reserve officers commanding infantry and armed-branches detachments are mainly trained from noncommissioned officers nearing discharge. As

for technical and specialized reserve officers, the majority of them are trained from college graduates; a number of these officers have been drafted to serve in various units and defense enterprises, to teach basic sciences and specialized techniques at various academies and officer candidates schools, thereby actively contributing to upgrading the training at the Army schools to higher and college levels at present and in the coming years. Most of these officers have satisfactorily fulfilled their duties. A survey of teaching quality conducted in Hanoi, Haiphong, Bac Thai, and Ho Chi Minh City has shown that 15 percent of them were good, 75 percent average, and 10 percent weak in practical capability. Not a few of them have volunteered for long-term service in the Army.

The annual elementary and advanced training of reserve officers has been carried out according to two formulas: training in localities or in main-force units for 10 to 15 days a year.

It can be said that the elementary and advanced training of reserve officers in the past years has yielded encouraging initial results. This confirms that the recent policy of giving elementary and advanced training to reserve officers has proceeded in the right direction, and that this is a good way to create a source of reserve officers serving as the basis for the organization of mobilization-ready reserve units, thus actively contributing to the task of Army mobilization in the past.

However, we must also see all the remaining problems to be resolved in the coming days. These are:

- In terms of both number and military specialties, commanding reserve officers (platoon leaders) trained from noncommissioned officers nearing discharge are not evenly distributed in all territorial regions (the plains, the midlands, the highlands, the borders, the regions of ethnic minorities, and the South) after they return to their localities. There are both a surplus and a shortage of reserve officers when mobilization-ready reserve units are organized, that is, a surplus of infantry officers and a shortage of armed-branches, political, and logistic officers.
- Technical and specialized reserve officers trained from college students bring with them a fairly good technical knowledge when they are called up to serve in the Army. However, their service is not stable because they do not serve with peace of mind, especially when the country is switching to a market-oriented economic system.
- Registration and managerial work has not been highly efficient. The cause of this state of affairs is that, on the one hand, a number of reserve officers have not yet been fully conscious of their duties and, on the other, the state has not yet adopted attractive remunerative mechanisms and policies.
- Some remunerative systems and policies have been put into effect, but as they have not been renovated in

conformity with the socioeconomic situation, they have failed to motivate and encourage reserve officers to serve in the reserve service or in the regular Army. Once discharged after fulfilling their active military duty, reserve officers suffer losses because they are not given suitable work.

- Not much annual advanced and supplementary training designed to improve reserve officers' capabilities has been carried out; only a very small number of the reserve officers assigned to mobilization-ready reserve units have been given such training. In some places, owing to many causes (budget, funding, materials and equipment, location) the quality of elementary, supplementary, and advanced training has not been high and training work itself still has the character of a "mass movement."

To contribute to satisfactorily carrying out the task of Army mobilization, I would like to present some ideas on the elementary and advanced training of reserve officers in the coming year as follows:

1. There should be a new, more correct perception of the task of building the mobilization-ready reserve force, of which the main effort is building the contingent of reserve officers in the new situation.

There should be new thinking with regard to the task of defending the fatherland according to the spirit of the Resolutions of the Sixth and Seventh Party Congresses and the Resolution of the Third Plenum of the Seventh Party Central Committee on National Defense and Security, which says: "*Consolidating the all-people national defense system and the people's war disposition is the task of all the people and Army and of the entire political system,*" and this includes the task of "*building a powerful mobilization-ready reserve force that is well-trained and well-managed to ensure that it can be quickly mobilized according plan when necessary.*" There should be a new and more correct perception of the Party's viewpoints mentioned above, so that while putting the task of national construction in the forefront, we also apply ourselves to building the all-people national defense system and the mobilization-ready reserve force, thereby helping prepare the country's national defense potential and firmly defend the socialist Vietnamese fatherland. At present, building the mobilization-ready reserve force, of which the contingent of reserve officers is the hard core, is a strategic task of the country. This task is related to many levels and sectors from the center to the grass roots and really calls for the participation of all the people under the state management. To further improve the elementary and advanced training of reserve officers, first of all we should foster the knowledge of and new thinking about national defense among the leadership and management cadres at all levels and in all sectors; after that, in strict accordance with the spirit of Directive 420/CT dated 30 December 1991 of the Council of Ministers (now the Government), we should expand the education in national defense among all the people, in particular the young generation, pupils, and students, the

contingent of workers that will be building and defending the fatherland in the 21st century,

2. Renovating the method of training reserve officers.

In the past few years, owing to the readjustments of the organization of forces, large numbers of regular Army officers have been demobilized and have returned to their localities. This is a very substantial source of reserve-officers replenishment for localities. However, in reality, the majority of these demobilized officers are middle-level cadres. For this reason, there still is a serious shortage of manpower in the contingent of primary-level cadres. In the coming years, after the armed forces organization is stabilized, the pool of reserve officers replenished with demobilized regular Army officers will be greatly depleted. For this reason, reserve officer candidates must continue to be recruited from among demobilized noncommissioned officers and college graduates.

Concerning candidates who are demobilized noncommissioned officers.

- We should continue to train soon-to-be-demobilized noncommissioned officers to be reserve platoon leaders as we have been doing for a long time. But we should pay attention to selecting those noncommissioned officers who, after being demobilized, will go back to areas that still lack reserve officers (such as the South, the mountain regions, the regions inhabited by ethnic minorities), and should train only those specialists of whom there is still a shortage.

- We should select candidates from among reserve noncommissioned officers and soldiers currently appointed platoon cadres in mobilization-ready reserve units for training as reserve platoon leaders in accordance with their military specialties. We should train as many cadres and specialists as needed to fill vacancies, plus a number of extras to make up for annual natural attrition (about five percent, as we know from experience). The 5th Military Region has applied this method of "*training people with permanent addresses*" and have obtained good results. To meet the requirement of "*training people with permanent addresses,*" there should be very close coordination the cadre organ and mobilization organization organ, between the Ministry of National Defense and military regions, and between provinces and the grass roots. *The task of training must be closely linked with the task of mobilization almost in the same way as "producers" are linked with "consumers."* In the conditions of the central and local national defense budgets and expenditures being limited as they are at present, this method has proved to be more economic.

- Concerning the organization of training, it is absolutely necessary that training is organized at military-political schools in order to ensure its good quality; this is because these schools have everything they need for this task (teachers, materials and

equipment, drill grounds, and other support services). On the other hand, only the military-political schools at the military region- and corps-level up have the juridical-person status required to organize training. In cases there is difficulty regarding school locations, or vast areas necessitate organizing training at the local military schools of provinces (or cities), the military regions concerned should give direct guidance, provide supplementary funding, ensure other support services, and send teachers to teach. Such local military schools should be regarded only as providers of training locations.

Concerning candidates who are college graduates.

—We should continue to select a small number of candidates from among those students whose trades and professions meet national defense requirements and correspond with those specialties in which the Ministry of National Defense cannot provide training but which are needed (according to the spirit of Directive 420/CT of the Council of Ministers). After training is completed, most of these reserve officers should be mobilized immediately for active duty for three years (as determined by law), while the remainder (about one-third of the total) are to be retained in the reserve service. When their term of duty is up, they should be transferred to the reserve service (but those who volunteer to serve in the regular Army units on a long-term basis should be allowed to do so). By so doing, we will have a contingent of reserve cadres of better quality because they were trained and grew up in the Army.

—With regard to training organization, experiments carried out over the past several years have shown that sending students to Army schools for training is a step in the right direction because the quality of training in these schools is higher than that in college military departments. Army schools are fully equipped to meet all requirements; *especially, they offer a regular environment for study and training, which gives the training of reserve officers there a higher quality. In 1992, Hanoi Polytechnic College students received three months of formal training at the Air Defense Officers School. After completing training with good results, 100 percent of the graduates were drafted into the Army to serve in technical units or to serve as technical teaching cadres at academies and officer candidates schools. This method was also applied in the past years to students of the Ho Chi Minh City Polytechnic College, the Ho Chi Minh City College of Medicine and Pharmacy, the College of National Economy... and yielded good results.*

—At present, colleges are entrusted with the task of training only a small number of reserve officers. Therefore, we can make studies in order to send students of a number of colleges for formal training at any officer candidates school that is most suitable for the kind of specialized training required and most qualified for the training task. This would facilitate

organizational and logistic work and improve the quality of training while helping eliminate the state of scattation resulting from the training of too small a number of candidates of the same categories at many different places.

—After setting up the experimental National Defense Education Center in Thai Nguyen and putting it into operation since 22 December 1992 with good results, the Ministries of National Defense and Education and Training have advocated organizing similar centers in those cities where there is a large concentration of colleges and advanced schools. Therefore, in the years ahead, students may be permitted to train to be reserve officers right at such centers. If this is done, higher economic efficiency will certainly be achieved in training.

3. Advanced training for reserve officers.

In the coming years, we should continue to make more investment in the advanced and supplementary training of reserve officers, with emphasis put on certain categories of officers, namely leading and staff cadres, cadres of administrative organs, and specialized cadres already assigned to mobilization-ready reserve units. Two organizational methods are applicable:

—Training in localities: This method has one advantage, namely on-the-spot training, which means less time and money spent in commuting and more financial aid provided by the local budget. However, there are difficulties regarding drill grounds, materials and equipment needed for training, and the management of trainees, who are easily affected by the fact they are close to their homes.

—Training in main-force units or provincial and city military-political schools: This method ensures the availability of materials and equipment and drill grounds as well as a better environment for study and training. But there are also some impediments: greater costs owing to long-distance travels involving long periods of time, a problem requiring very close and smooth coordination between mobilization-ready reserve units and each locality sending out reserve officers for training. Moreover, trainees are reluctant to live far from their families.

Experience drawn from successful implementation of these methods in Vinh Phu, Ha Bac, Nam Ha, Quang Nam, Danang, Hai Hung, Thai Binh, Tien Giang, Group B01/QKTD [Capital Military Region], Army Engineers Group H29, Artillery Group 45, and so forth, has shown that, in the coming years, neither of the two methods should be rigidly used. Both should be flexibly applied to the concrete situation of each unit and locality in conformity with the characteristics and requirements of each class, each category of trainee in order to obtain the best results. In organizing the implementation of tasks, every effort must be made to secure the guidance and leadership of party committee echelons, the administration, and mass organizations in the localities concerned, and the help and aid of the various sectors in these

localities. In particular, attention must be paid to ensuring the national defense budget of localities. At the same time, there must be a thorough understanding of the guideline that training must be realistic and effective, and that ostentatiousness and formalism must be avoided. The length of training time must be reasonable (seven to 10 days a year). Training schedules should be set in such a way as to avoid agricultural seasons and the busy ending period of the year, when reviews of past activities are to be made. Reserve cadres should be classified according to their quality in order to open separate classes for trainees of the same standards. Training programs and subjects must be realistic and suitable for the characteristics and standards of each category of trainee. In training, we should link cadre training with unit training. Unit training is an exercise aimed at improving the command and training management abilities of reserve cadres.

4. Consolidating once again the organizations and strengthening once again the organs doing mobilization work and the cadres in charge of registering reserve officers and managing their training.

When Army organizations and personnel were readjusted and the regular troop strength was reduced to the essential peacetime level, the reserve force in general and the contingent of reserve officers in particular should have been increased, strictly registered and managed, regularly trained, and prepared for mobilization if need be. That was consistent with the law of development and with our people's longstanding tradition of national construction and defense. However, we have acted in a contrary manner, recalling some cadres attached to key ministries and sectors and reducing the number of cadres in charge of mobilization work at all levels. For this reason, the contingent of cadres doing mobilization work is both understaffed and unstable, and its organization is upset as cadres are transferred to other jobs when they have not been able to gain much experience. To prepare the entire nation for national defense in terms of manpower and material and financial resources, *there should be an organization fully developed from the center to the grass roots to take charge of mobilization preparation, including a force responsible for mobilization work established right inside the various ministries, departments, and sectors of the state.* In the past, such an organization had been set up, namely the Department of Mobilization Affairs (or Department One for short). However, owing to staffing constraints, or because of some localities' failure to perform their functions and duties well, Department One now exists only in the Ministry of Education and Training, the State Planning Commission, and the Government's Office. To meet the requirements of Army mobilization and national economic mobilization work in the new conditions, we

would like to suggest that we continue to consolidate this organization anew, first of all in key ministries and sectors of the socioeconomic system, and to consolidate the contingent of cadres and organizations in charge of mobilization work, the registration of reservists (including reserve officers), and the management of their training and advanced training. The assignment of cadres to this task must be stabilized, so that these cadres can accumulate experience and really acquire great "professional" skills, thereby avoiding being regarded as people appointed to "sinecures."

5. Renovating the mechanisms, policies, and procedures to suit them to the current socioeconomic situation.

We already have a system of state laws and sublaws for use in institutionalizing Army mobilization work, thereby introducing the party's all-people national defense line into life. These documents are the Constitution, the Law on Military Obligation, the Law on Officers of the Vietnam People's Army, Decree 153/HDBT [Council of Ministers] on the System of Reserve Officers of the Vietnam People's Army. The sub-laws, which include the system of directives, circulars... promulgated by each ministry or jointly issued by the Ministry of National Defense and the Ministries of Education and Training, Finance, War Invalids and Social Welfare, and so forth, have laid down concrete regulations on the mechanisms, policies, procedures, obligations, and interests concerning reservists in general and reserve officers in particular. Thanks to this, the task of Army mobilization and the building and organization of the mobilization-ready reserve force and the contingent of reserve officers have recorded encouraging initial results. However, when the country switched to the socialist-oriented multisectoral economic system, although most of these regulations and procedures remain effective, a great many points of their contents have become outdated and have failed to keep pace with the development of the socioeconomic situation. In the days ahead, the responsible organs should promptly serve even better as advisory bodies to the party, the state, the Ministry of National Defense, and other ministries and sectors concerned, so that they can readjust, revise, and supplement the existing regulations, procedures, and policies, and introduce some new ones to ensure social justice in the cause of national defense, to provide incentives (material and moral) for members of the reserve service so that they will stand ready for mobilization when necessary, and to encourage reserve officers to volunteer for active duty. Realities have shown that only by adopting suitable mechanisms and policies will we be able to create favorable conditions for satisfactorily carrying out Army mobilization work in general and for building the reserve force and the contingent of reserve officers in particular.

Corps Commander Discusses Regularization Issues

932E0069A Hanoi TAP CHI QUOC PHONG TOAN
DAN in Vietnamese May 93 pp 55-58

[Article by Major General Le Van Dung, commander, Cuu Long Corps: "Some Issues Regarding Building the Framework for Regularization in Cuu Long Corps"]

[Text] In order to fulfill all of the glorious tasks assigned to it by the party, state, and army, Cuu Long Corps [Binh doan] has determined that it must build itself to become a regular and gradually modernizing corps. In the field of building itself to become regular, it should first of all standardize all aspects of the troops' activities, discipline, internal order, management patterns, and training and combat readiness patterns on the basis of educating and raising the level of comprehension and solid political background of cadres and soldiers so as to allow all of them to recognize their responsibilities and to seriously carry out orders through their own understanding. At the same time, it should heighten the sense of responsibility and ability to organize and to manage on the part of its cadres, particularly those at the battalion rank and higher, who mostly have been trained in the army's academies and schools and, for the majority of them, have undergone actual combat training challenges. In the course of building totally strong units in accordance with the five needs set by the General Staff, it was paying attention to organizing and building a framework for regularization suitable for the needs of its tasks and the characteristics and actual conditions of the corps being a main-force unit that has been performing a mobility task in an important strategic location.

The effectiveness of the job of building a framework for regularization depends on many factors, the most noteworthy ones being the issues having to do with the level of comprehension, ability to organize management, and habits in everyday activities of cadres and soldiers; the conditions for ensuring material resources, equipment, and so on. In these issues, due to actual historical conditions, the corps encountered definite difficulties. The fact that it was a mobile unit for many years, took part in combat activities, and fulfilled its international obligation on a friendly battlefield under conditions of scattered guerrilla-type activities made many commanding cadres at all levels suffer from psychological effects and have many work habits and behavior that reflected distraction and diversion and were unsuitable for the needs for training within the regularization framework. On the other hand, because of the common difficulties in getting spending appropriations, the material resources needed to ensure the unit's activities, training, and work were insufficient, degraded, and unsynchronized; this greatly and adversely affected the effectiveness of its organizing the building of a framework for regularization. In addition, the construction of the framework for regularizing the corps has been difficult because there were annual fluctuations and instability in regard to its staff and organization. The cadres and soldiers in the corps come from more than 40 provinces and municipalities all over the country; as a result, their customs and habits are different in many

aspects. More than 50 percent of the corps' cadres have families living in the northern provinces, thousands of kilometers away. Since the economic living standards of their families and of their own is still difficult and unstable, their efforts to undergo training and to build a way of living and behavior suitable for the regularization framework have certainly been affected.

To build a regularization framework covers a vast area of interest. It creates fairly total needs ranging from outfits, ceremonial manners, behavior, and maintaining of activities and work procedures to the ways to handle relationships among soldiers, relationships between soldiers and the people, and so on. Furthermore, it also creates the need for a degree of highly scientific unity and concentration by all individuals and soldiers' organizations at all levels in the corps. In the organization and building of a regularization framework in the corps, attention has been paid to totally fulfilling all of those needs, but efforts have been concentrated first of all on making actual changes in such issues as behavior, soldiers' ceremonial manners, framework for the procedures adopted, and well-planned and scientific activities of organizations based on rules and programs. The need for building a regularization framework is to be fulfilled by all cadres and soldiers, but for cadres at all levels this need is greater and more total.

In its efforts to organize implementation, the corps was concentrating on these major issues: *to unify comprehension and responsibilities* by all cadres and soldiers toward the need for building the regularization framework; *to materialize regulations, rules, and plans* having to do with all activities and work within the corps as a whole; *to improve and heighten the ability to organize and to manage* of cadres at all levels; and *gradually to create favorable conditions regarding the material base so as to ensure the need for achieving unification and regularization*.

The corps each year organized training courses to improve the training capacity of cadres at all levels. The primary target of this training was those cadres directly in charge of training detachments and serving as trainers of newly enlisted soldiers, and normally lasted for five to 15 days. It improved and merged two schools—the School of Military Administration and School of Logistics and Technology—to create a military school of its own. Tactical and technical training in the school and in units was closely combined with training in the rules about discipline, way of living, and regularization behavior. Attention was being paid to reinforcing the basic view on the relationships among soldiers and their behavior. The purpose of educating soldiers to heighten their comprehension was to make all of them clearly understand that in daily activities, learning, and work, as well as in combat situations, they would face comradely relationships and relationships between superior and lower ranks. The comradely relationships are part of the nature of our army. The reason is that all military personnel, cadres, and soldiers as well, share the same revolutionary ideals and the goal of serving, have the same interests and obligation toward the fatherland, enjoy political equality, and are one another's comrade. The relationships between superior and lower ranks are necessary within the command

and soldier-guiding structure for the purpose of making all soldiers act in a unified and well-organized manner and with discipline, and work together to fulfill all training, combat, building, daily work, and other tasks.

About behavior of soldiers, the purpose is to make all soldiers first of all show that they have a clear conception of organizing discipline; a spirit of solidarity and mutual help, along with a civilized and wholesome way of life; and an attitude based on civility, modesty, simplicity, self-control, and self-respect, both in words and deeds. The outfits they wear must be clean; the way they are dressed must be correct, never sloppy and eccentric. They should be exemplary in terms of obeying the law of the state and the rules about social life.

The effectiveness of the efforts to build a regularization framework is first determined by the high level of self-understanding and sense of responsibility on the part of soldiers, particularly cadres. To pay no attention to teaching cadres and soldiers the concept of responsibility and the need for building the framework for regularization will easily lead to the tendencies to execute orders in a formal, superficial, and temporary manner, and to stick to bureaucratic and excessively orderly and administrative ways of organizing implementation of rules. All of these signs will adversely affect work quality and unit strength. Therefore, in organizing and building a framework for its regularization, the corps should not only set regulations and procedures but also, and first of all, build a correct conception for its cadres and soldiers and heighten their sense of responsibility and self-understanding. This has been affirmed as a common responsibility of all individuals and organizations to be fulfilled on a continuous basis, with the pace of execution depending on their own needs, tasks, and functions. The corps' party committee and command have made the needs and requirements about building the regularization framework a part of the activities of the party organizations, administration, and masses. That would serve as a necessary basis for observing the corps' units, party members, cadres, and soldiers as they fulfilled their tasks and evaluating the results they obtained. Each year the corps organized selection of safe units, military competitions, and building of regularization ways and behavior, and singled out the weaknesses and strengths of each and every unit to help it to set a direction for its subsequent efforts. The building of the regularization framework was also a process for correcting some misconceptions on the part of a few cadres who believed that we must have a total and modern material base before we could achieve such a framework, and for overcoming the signs of psychological weakness—the fear for restraints and difficulties—in the course of implementation.

In addition to raising conception and the sense of responsibility, the corps paid full attention to materializing the needs for building the regularization framework. Leadership was focused on two angles: to organize guidance and control over the contents of current regulations, procedures, and rules issued by superior echelons, and,

depending on the actual conditions of units, to recommend adopting directives, rules, regulations, plans, and so on for units of lower ranks and individuals to use as a basis while executing orders. So far the organs and units of the corps have seriously implemented 11 daily and weekly procedures. As to arranging living quarters and places for various activities, the corps has begun to pay attention to satisfying the needs for training; mobility and combat readiness; conveniences for work, activities, and learning; health protection; and living conditions reflecting the civilized way of life and organized discipline of a regular army and creating troops' attachment to collective life. Barracks of all units now are equipped with "five ropes and three shelves" [clotheslines for hanging various kinds of garments and towels to dry; shelves for rucksacks, dishes, and shoes]. As to the network of warehouses used to store outfits and military supplies, the specifications set by superior professional organs are now strictly applied. The corps' cadres all have to wear shoulderboards, kepis, and shoes whenever they leave their barracks. The procedures for expressing greetings, conducting conversations, making reports, and so on in accordance with regulations have gradually become routine practice in all units.

The efforts to build the regularization framework in the corps were not limited to making outfits, ceremonial manners, and behavior uniformly observed by its troops, but the corps was paying more attention to work patterns by drafting work regulations and plans for different levels and between superior and lower levels. In fact, beginning in the early months of 1992, all levels had to draft their own work plans and to implement them in accordance with a unified plan for work and activities. To draft and implement plans was achieved in the corps as follows: at the corps level, for stages and annually; at the division level, annually, quarterly, and monthly; at the regimental level, monthly; and at the battalion level, weekly. Regulations for such activities as exchanging of views, assigning of committee work, control aimed at assessing the situation, organization of military exercises, control, and so on, and work programs of each and every professional sector were drafted and properly implemented. The drafting and implementation of plans, regulations, and work programs made all levels in the corps succeed in fulfilling their tasks in an orderly manner, led to better concentration and uniformity, and thus helped to raise the effectiveness of their work.

The corps acted on its own initiative to overcome difficulties, to develop active and creative qualities, and to gradually create favorable conditions for satisfying the needs for a material base that would ensure success in building the regularization framework. Its cadres at all levels carefully considered using the annual budget appropriated by the superior echelons for capital construction, training, and regular activities in the key expenditures in order to obtain greater results. Priorities in construction and repair spending were given to facilities used for dining, living, and public activities and the network of training grounds and storehouses, with more attention paid to the more urgent facilities or work,

particularly if they belonged to newly-enlisted soldiers' units, military schools, and military control units. As the corps is stationed in an area where the cost of living is high and its cadres' families in the rear area still encounter many difficulties, it has been making great efforts to contribute to resolving these difficulties. At the same time, every year its units were spending tens of thousands of working days and hundreds of millions of dong taken from production labor funds in economic activities in order to further improve their dining facilities and living quarters, to renovate stadiums and training grounds, and to buy additional supplies, for the purpose of both improving the living standard of cadres and soldiers and contributing to building the material base necessary for ensuring successful building of the regularization framework.

The policy on building a framework for regularization in Cuu Long Corps was first mentioned a few years ago. More specifically, since early 1992 it has been materialized and its synchronized and more effective implementation has been organized. Although there remained many problems that the corps should continue to deal with and resolve, it has obtained a positive change. The corps that in the beginning had many weaknesses in regard to a framework for regularization has now undergone good changes in terms of outfits, ceremonial manners, and behavior of its troops, as well as living and work patterns. The results of many aspects of its work, such as training, combat readiness, and training in discipline, have been better. Since 1991, every year the number of violations of discipline and behavior patterns decreased by 5-10 percent from the preceding year. All units in the corps were able to satisfy the needs for building strong regiments and divisions and were fully capable of fulfilling every assigned task.

In the course of organizing the building of a regularization framework, the corps still encountered certain difficulties that its subjective efforts alone could not resolve right away; therefore, it would need the concern, assistance, and coordination of the Ministry of National Defense, the superior organs in charge, localities, and friendly units. As we hope that the task of building a framework for our army's regularization would bring about better results, we have a few positive resolutions as follows. First of all, all echelons, sectors, and localities must achieve better coordination in the education and recruitment of new soldiers, who must be better prepared in terms of ideological knowledge and conception, as well as the necessary conditions, prior to joining the army so that they could satisfy better in a new environment the needs for training in building the regularization framework. As for the units where the material base shows many shortages and degraded aspects, it is necessary to appropriate more funds and to boost in time the spending for capital construction. At the same time, we must speed up the study of how to improve the form and to raise the quality of a number of military equipment and supplies for cadres and soldiers, and make this study complete and uniform. These are the needs that are

being directly raised in the units today in connection with the process of organizing the building of the framework for regularization.

Management, Organization of Reserve Force in Tien Giang

932E0072A Hanoi TAP CHI QUOC PHONG TOAN DAN in Vietnamese May 93 pp 44-47

[Article by Senior Colonel Le Hong Thanh: "A New Experiment in Management and Organization of Reserve Force in Tien Giang Province—Issues To Be Raised"]

[Text] To build the reserve force for mobilization (RFFM) is a strategic issue of important significance aimed at consolidating and strengthening the all-people national defense potential in accordance with the view on the people's all-people, total, and modern war within the framework of the construction and defense of the fatherland. The ministry [of National Defense] has determined the organization and management of RFFM and has issued goals and plans assigned to all echelons, sectors, and localities throughout the country. In the course of doing preparatory work for mobilization, Tien Giang Province was using many formulas and applying many forms in order to find the most effective managerial measures. Although it has just begun, Tien Giang's model of district-level RFFM battalion has already opened up new prospects in conformity with the locality's conditions and capabilities. However, the organization and building of the RFFM battalion constituted only an initial experiment, for there remained many obstacles having to do with the superior authorities' plan for preparations for mobilization and requiring further study and gradual resolving in order to satisfy the needs of the task.

After repeated efforts both to develop the mobilizing work and to gain experience and lots of discussions, Tien Giang combined the organizational models into one, built in each district an RFFM battalion, and issued guidelines for setting up a pilot project in Go Cong Tay District. Due to the characteristics of the southern provinces in general, and Tien Giang in particular, there were many difficulties in the registration, management—both quantitative and qualitative—and creation of sources, particularly the sources of reserve officers; consequently, as to the preparations for mobilization, very poor results were often obtained, with some units reaching only 30-40 percent of their target figures in terms of organizing training. With the new economic management mechanism particularly, those people who had fulfilled their military obligation had to go elsewhere because of the difficult economic situation to look for jobs and to earn a living. Therefore, the registration, management, and creation of sources for building the RFFM was an extremely hard problem for us to solve. Even after we had adopted the policy on building the RFFM battalion in the district, which had been unanimously approved by

the Standing Committee of the Provincial CPV Committee, Standing Committee, and Military Region, there remained many issues to be clarified in regard to the mechanism of leadership, management, and execution with relation to the RFFM battalion "frame." The district that had been selected to set up the pilot project also was worrying and being afraid because this would be the province's force and wondering how it could lead, manage, and create favorable conditions for them to properly fulfill the task assigned by the superior authorities.

To resolve this issue, we clearly determined the mechanism of leadership and management in regard to the district's RFFM battalion on the basis of linking it with the military organs of the district and villages. All procedures having to do with regular activities, learning, traveling, reporting, and so on were placed under the leadership of party committee echelons, local administration, and primary organizations. The battalion's cadres, now given the additional title of assistant, had to work in the party organization of the district military organ. The cadres of companies and platoons who were sent to reinforce the villages had to work in the security-national defense chapters, where they also assumed the functions of village military unit deputy commanders. All signs of liberalism, acting at one's convenience, and lack of responsibility while doing one's work, as well as any violations of the principles of activities and learning in the locality and primary organizations, would be dealt with in accordance with the law of the state and the army's discipline regulations.

After having adopted the final policy on and plan for building RFFM battalions, we organized the leadership for practicing the experimental building task in Go Cong Tay District. Because the permanent frame no longer existed, as we organized the building of the RFFM battalion we had to bring cadres from the provincial military organ to staff the "frame" of the reserve battalion, which consisted of seven comrades. The staff organization included a battalion commander, a deputy battalion commander-political officer, three infantry company commanders, and two branch platoon commanders (coi [mortar] and signal corps). A total of 19 reserve officers and 477 noncommissioned officers and soldiers were positioned in three infantry companies in three villages, the detachments subordinate to them, and the infantry battalion in two villages.

About the activities of the battalion's frame cadres, according to their assigned functions and tasks, they were to take care of registration and management, and to know exactly the numbers and quality of reserve troops in the localities they were in charge of through the meetings they had to hold. Each month all cadres, from squad commanders to company cadres, had to meet once at the headquarters of the village CPV committee, where new troops would be accepted; company commanders, who were also deputy commanders of village military units, were directly in charge of convening these meetings. Squad commanders later were to meet with soldiers

at the home of one of them if the home were convenient and large enough. The battalion's cadres were to take turns attending meetings with companies and squads in order to get to know the situation and to set common leadership directions for all aspects of the work. Once every three months all cadres of the battalion were to meet at the headquarters of the district military organ. Schedules of activities and meetings were uniformly drafted and distributed among party committee echelons and in district and village administrations.

These schedules also included notices on domestic and international events; reviews of the state of implementing the positions and policies and enforcing the laws of the state and locality; and discussions of the measures necessary for maintaining security and order in hamlets and villages, and the relationships of common interest. They particularly contained exchanges of views on production experiences and specialized cadres' articles on the ways to apply science and technology, how to prevent and control epidemic diseases among domestic animals, wide distribution of seeds, breeders, high-yield plant varieties, and so on. As a result, more people became interested and were enrolled as reserve troops, with the numbers of the latter often reaching 90-95 percent of the set goals.

In military training, the RFFM battalion maintained regular and orderly schedules in accordance with the superior authorities' decisions. It organized concentrated training for its infantry companies and branch detachments, with up to 97-100 percent of their troops taking part in it; as to the major training courses, they had the direct assistance and control of cadres from the district and provincial military organs. In actual training, they strictly maintained army discipline and serious learning spirit and attitude among trainees. After the end of every training subject and lesson, there were control and evaluation of results, as well as learning from experience to benefit subsequent subjects and lessons. In 1992, the RFFM battalion received an outstanding-unit score in rifle shooting and during the military competition of the provincial armed forces, in which it participated for the first time, was evaluated as a good unit. The battalion also combined the training periods with organizing masses-proselyting activities in the locations used for its concentrated training and joining with local administrations in building the political base in hamlets and villages. After a period of concentrated training, learning from experience was always organized. Individuals and units having scored good achievements were properly commended and rewarded; those who showed signs of passive behavior, laziness, and poor training quality were sternly criticized and judged.

In 1992, the province issued an urgent order to mobilize two companies in order to judge their actual performance and degree of combat readiness; within 12 hours, they were able to assemble 206 of their 222 troops, or 89.18 percent of their strength, who showed up with full equipment in accordance with staff and equipment regulations. After the number of troops and their equipment

were checked, the battalion organized a 10-kilometer military operation to train the troops in familiarizing themselves with the steps in changing the state of combat. In addition, in other activities, the battalion also selected members and founded an artistic unit, which took part in a mass art festival of the armed forces of Go Cong Tay District and the province in 1992, where the unit won prize A for the subordinate group. The soccer and volleyball teams of the RFFM battalion also scored good achievements in provincial-level sport competitions.

Along with the above-mentioned activities, the battalion also paid attention to building party and youth union organizations. The party members who were working in the villages' security-national defense chapters succeeded in establishing three youth union chapters of reserve troops subordinate to the village youth union chapters.

As to the RFFM battalion's *budget for regular activities*, it mostly was taken care of by the locality, according to the formula of on-the-spot assured spending. Villages were to assure financing all periodic monthly meetings and activities. For the activities and learning of all cadres of the battalion organized in the district military organ, the spending came from the district's budget. The training expenses annually set by regulation were taken care of by the province, with spending for each company ranging from 12 to 15 days and amounting to 8-12 million dong. In addition, the companies organized their own fund raising and collected money from reserve troops, who would contribute according to their means, to cover necessary spending, such as aiding needy families and participating in social welfare projects in hamlets and villages.

On the basis of this model of building the RFFM battalion in Go Cong Tay District, Tien Giang issued guidelines to all districts advising them to adopt it and to build their own battalion, and thus helped the province to properly manage the RFFM and to gradually stabilize the task of making preparations for army mobilization.

In order to gradually overcome the decline in the sources of mobilized troops due to a reduction of the size of the permanent force, a decrease in the annual numbers of enrolled troops, a loss of reserve troops resulting from discharges based on health conditions, age, and so on, Tien Giang organized, maintained, and enlarged the models of economic-national defense units and thus created regular sources that would continue to reinforce the RFFM units. The fact that all soldiers in the economic-national defense units received military training and were trained in discipline and in having a way of living and behavior suitable for the military region's annual unified training program allowed the province to do good-quality work in creating sources of mobilized troops, to properly satisfy its needs, and to fulfill its task. Each year Tien Giang had nearly 1,500 reserve troops who had been discharged from economic-national defense units and now moved into the locality and were

switched to a reserve status. This fact affirmed that Tien Giang's model of economic-national defense units was a new direction that was being really effective, in terms of both economic and national defense effects.

From the realities of the building and management of the RFFM's activities many issues, both urgent and long-term, are raised and need to be studied and resolved in a total and scientific manner so that the province could satisfy the need for making preparations for army mobilization in accordance with the ministry's projects and plans.

The biggest problem now encountered by Tien Giang, as well as by the southern provinces, is the registration, management, and building of mobilized units in accordance with the ministry's "tron khau" [full-circle link] formula as dictated in the assigned goal and plan. According to this formula, the ministry's permanent frame has now been either dissolved or made smaller, and there no longer exist such activities as second inspection, registration, and management of sources in accordance with the common plan. The relationships between the units that are beneficiaries of mobilization sources and the localities have been virtually terminated. Local military organs, meanwhile, do not have staff cadres in charge assigned from the mobilization frame. There is a total lack of the group of reserve officers who can ensure staffing at the battalion and regimental levels in the localities when mobilization comes. As for those cadres and officers who have been demobilized and have retired due to implementation of state policies and have been forced to return to the localities for one reason or another, because they are no longer eagerly interested in their old task and because there are no new policies and procedures for them, this group exerts no effects on the mobilization work. The military region's permanent frame, whose members are regularly scheduled to come only once a month to the district military organ and from there to go to villages to do inspection, is also unable to know exactly the number of reserve military personnel it is in charge of. As to the sources of reserve military personnel, even the localities often are unable to manage them because of complicated changes in the market economy. The RFFM units that have been organized in accordance with the Go Cong Tay District model still encounter obstacles in regard to organizing activities in connection with the party and mass organizations.

On the basis of the above-mentioned issues, we would like to present the following resolution:

—It is necessary to restore and keep the permanent frames; if we are not going to restore all of them, we should keep them at least in the southern provinces. The reason is that the number of reserve officers in the southern provinces today is very small; it is thus impossible to satisfy the need for making preparations for army mobilization. If we do not keep any permanent frames, we must have plans for arranging to have cadres "piled up" in local military organs just like in

the main-force binh doan [corps] so that when necessary we can use them in accordance with the "no noi" [rice rising in the pot] formula.

- If the district level were assigned the task of building and managing a regiment in accordance with the "full-circle link" formula devised by the ministry, the command of this regiment should serve as deputy commanders of the district's military command; the regiment's cadres should be assigned the position of provincial or district assistants; and company cadres should be sent to villages to serve as deputy commanders of their military units.
- The local military schools of the provinces and military administration schools of the military regions must have plans for training reserve officers as future sources of mobilization because there currently is a very serious shortage of these officers as compared to the need for staffing RFFM units.
- It is necessary to study the need for restoring the system of doing army mobilization work in state organs, committees, and sectors, such as departments 1, sections 1, offices 1, and so on. The reason is that this system is necessary to allow making preparations for mobilization within the framework of the general plan for the national economy.
- We propose that the state and Ministry of National Defense consider issuing at early dates supplementary legal documents, such as regulations on registration for military service and registration for management of technical means benefiting the national economy. We propose as another necessity that the National Assembly consider and promulgate a law on wartime army mobilization.

Training of College Reserve Officers Examined

932E0076A Hanoi TAP CHI QUOC PHONG TOAN DAN in Vietnamese Jun 93 pp 36-39

[Article by Colonel Engineer Le Ke Lam: "Training of Reserve Officers on College Campuses—Problems and Resolution"]

[Text] Our nation's history of national construction and defense, particularly the experience learned from the recent wars of national liberation and for defense of the fatherland have proved that, in order to firmly defend our national sovereignty and independence, we must build a strong all-people national defense, the core of which is the three-component armed forces consisting of the main-force troops, local troops, and militia and self-defense forces. Under peacetime conditions, considering in a general manner the evolving trend of the era, the country's real socioeconomic situation, and the ability to ensure the army's combat strength, and taking into account the experiences of other nations in the world and in our region, our party and state have adopted a policy aimed at building up the people's army to appropriate strength and in the direction of becoming

revolutionary, regular, well-trained, and gradually modernized, with a large reserve force for mobilization, the core of which is well-trained and well-managed reserve officers (RO) who, when necessary, can be quickly mobilized in accordance with our plans. The question we have to raise today is that we must pay proper attention to the RO force and particularly consider in a more serious manner the role of an RO force having great scientific and technical capabilities so as to have the right strategy for its training.

We can affirm that to train students during their studies at colleges and institutions of higher learning in order to regularly reinforce the RO force is a long-term strategic move in which we must have appropriate investment. First of all, this is a source of RO who have great scientific and technical capabilities, are the most numerous group, and belong to an age group that allows them to remain in the RO, class-1 staff long enough to be mobilized when necessary and to be a regular source of supply of new scientific knowledges and potential gray matter for the army. The basic point here is the fact that if they are further trained in the military knowledges needed, members of this group will have the ability to satisfy properly and in time the needs of a future war involving advanced weapons and industry, new strategic views on "soft weapons," "antisystem systems," and so on. Moreover, by this training, we will go one step further toward implementing the policy on "combined training," training in accordance with the "open system," and on "diversification" of the use of cadres in conformity with the needs of the realities in the country's peacetime setting.

In recent years, although the organs in charge made a lot of effort and obtained tangible results, the training of RO among students of colleges and institutions of higher learning generally revealed many problems that we must study and correct:

1. The subjects of training were poor and lacked balance. We only concentrated on training students in the basic movements of soldiers, the use of individual weapons, and infantry strategy. In short, they had only the most basic and minimal knowledge of officers at the detachment level. That training was necessary, but it was extremely insufficient in terms of allowing them to adapt to actual work positions after being inducted into the army. The reason was that they could only develop in an effective manner the specialized capabilities they had acquired when they were in the position of technical commanding officers and in appropriate sectors and occupations. But, in the meantime, they lacked the necessary and minimal knowledges in regard to strategy, specialized military techniques, and the use of equipment for military purposes, and particularly the necessary knowledge to develop a military and national defense thinking and to combine national defense with economic matters in order to put them to use right away while working in different fields of the national economy.

2. If wars were to take place in the future, they would unfold at an extremely urgent pace. War situations would change in a very fast and complicated manner; with a vast combat space, the use of weapons and technical equipment would have to be effected under the conditions of the enemy using a series of measures aimed at electronic interference, destruction, deceitful tactical maneuvers, and so on. This would require our technical commanding officers to have the necessary military knowledge and to be extremely responsive and flexible in dealing with the situation so as to take correct decisions, to develop weapon and equipment efficiency, and to neutralize the enemy's modern equipment and weapons. Our RO were not yet given these extremely necessary knowledges. In our opinion, the problem that needs to be resolved has been the fact that although so much knowledge had to be taught, the time devoted to training was short, and that we have not yet been really interested in fully resolving this contradiction.

3. Due to staff organization limitations, almost all of the cadres who were in charge of teaching the new military subjects were only concerned about the more common ones, for many of them had not even been in college, had a limited knowledge of science and industry, and in some cases even lacked the necessary knowledge of the military campaign art and tactics, particularly at a time when combat formulas were changing because the structure and types of our weapons were lagging behind the development of science and industry and when the enemy's equipment has become more and more modern. We need to emphasize that *to fight with what we have at the present time is very much different from fighting with what we had in the war of liberation 20 years ago*. We must consider this fact as we invest in the body of cadres in charge of training RO in our colleges.

4. The organization of RO training in colleges was not really appropriate. Training that was concentrated in two to three months at the end of the students' program of studies caused fatigue for those who had been studying for five or six years. As for teachers, because they had to teach with a high degree of intensity and monotony, they themselves found a lesser degree of pleasure in teaching and little ability to recommend measures for improving the teaching and learning methods, hence the organization of the forms of learning suitable for combat activities was limited. As a result, the quality of training was not good and the ability to respond to realistic needs still was poor.

In order to gradually improve the RO training program for college students, our school has been exchanging ideas with a number of institutions of higher learning and colleges, mainly those schools that have training specialties in connection with the Navy, such as the Maritime and Marine Products College, within the framework of our program of combined training in this field. In our opinion, if the RO who come from the college student source are to satisfy all realistic needs, there must be a real renovation of their training, and this can be achieved as follows:

1. The training of RO must be carried out on the basis of a long-term general plan for building the reserve force and for wartime mobilization. Although this is not a new task, the training subjects and measures must be based on drafting wartime mobilization plans for different periods and determining the numbers of RO to be mobilized for the different arms and branches of service, and in accordance with various specialized and technical sectors and occupations, so that we have an idea about how many student to use and from which schools. Next, the Ministries of National Defense and of Education and Training assign goals to each school and coordinate their work to provide it with guidelines for organizing fulfillment of these goals. Only by so doing can we, when necessary, have a body of cadres large enough and ensure its quality and a balance among various specializations and occupations.

2. From the above-mentioned plan, in regard to drafting RO training programs there must be a close coordination among officers' schools and colleges. The arms and branches of service that will be using RO must be responsible for coordinating their work with the colleges concerned in drafting programs and taking part in the training, and consider it a part of the combined training program. The subjects having to do with the military science must be considered compulsory, in conformity to the way we now manage training through course sections and curriculums aimed at raising students' responsibility. The present grading method using only a military score reflects simplification, if not underestimation of these subjects.

3. About organization of training, if we let the military department of each school take care of training in its own school, we believe that we cannot resolve the contradiction between the excessively large number of subjects to be offered to divide up RO in accordance with the needs of their use and the limited number of teachers. We would like to propose two organization plans: *One*, let us keep the military departments of the schools but have only a reasonable number of teachers enough to take care of teaching a basic military knowledge to RO at the small detachment level; other subjects will be taken care of by the officers' schools of the arms and branches of service that will be using RO, in accordance with contracts signed in advance for each school year. *Two*, on the basis of the general plan for RO training and division of geographic regions, let us *establish RO training frames, the administrative management of which will be taken care of by the officers' schools or colleges*. The cadre departments, mobilization organizations, and schools will provide professional guidelines and take care of training for a cluster of schools. The cadres who manage these training frames, along with the colleges, must be responsible for drafting plans and assigning work to those cadres being specialized in military sectors in conformity to the training needs of each school cluster. This organizing method will reduce the cadres' staff and at the same time increase flexibility in the organization of training.

4. Let us give concentrated training in basic military knowledge to officers at the detachment level only in their third year (in the four-year training system) and in the first year of phase II (in the five-year system). Other military subjects should be spread evenly in subsequent years just like the schools' specialized subjects. This even spread *will create no excessive work load for students and training cadres*, use military teachers with greater effectiveness, and avoid the situation of sometimes too little work and sometimes too much pressure that exists today.

5. To merge army schools into the national educational system does not solely mean to raise the capacity of organizing the college-level phase of training in the officers' schools up to the common standard, but a very basic requirement is the fact that the national educational system must operate harmoniously to serve the goal of building and defending the socialist fatherland. Let us train cadres for the economic construction, but we must also pay proper attention to the need for defending the fatherland. For this reason, we wonder whether *we need some coordination so that colleges would divide the work and require some students to write essays and to draw blueprints for their graduation regarding military and national defense topics. Or to deal with additional topics regarding a switch of civilian plans to military purposes when necessary.* In fact, this is a very useful measure to improve the specialized capabilities of teachers in the officers' schools, and at the same time, when there is a war, even to mobilize and put into the army civilian specialists having great capabilities but being not members of the RO force.

6. We need to firmly carry out the plan that requires sending RO every year to army units for them to practice military work in accordance with the common plan and to directly exercise their rights and obligation as citizens in the defense of the fatherland (because the majority of students have had deferment of the draft). And the main thing is to let RO become more and more familiar with the position that they will hold later (if we let them wait until a bad situation occurs, we are afraid it will be too late).

7. We need to organize periodic professional training for cadres of military departments and military frames in the officers' schools and institutes on the basis of their specializations to allow them to update their military knowledges (perhaps once every two years). At the same time, let us organize seminars on nationwide RO training in order to perfect the plans for training RO not only at the time they are still college students but also while they do regular work in state organs.

8. We propose that the state institutionalize the party policies on training of RO and turn them into instruments of the law and nonlegal documents to allow localities, installations, and citizens to implement them in a serious and highly effective manner.

The role of the body of RO having great specialized technical capabilities is becoming larger and larger. The main source of supply for the training of this force is college students. We therefore have just set forth some thoughts aimed at gradually improving our training plans and using this RO force in an effective manner.

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